S.P. Korolev Rocket and Space Corporation Energia

ANNUAL REPORT

OF S.P. KOROLEV ROCKET AND SPACE PUBLIC CORPORATION ENERGIA FOR 2018

This Annual Report of S.P. Korolev Rocket and Space Public Corporation Energia (RSC Energia) was prepared based upon its performance in 2018 with due regard for the requirements stated in the Russian Federation Government Decree of December 31, 2010 No. 1214 “On Improvement of the Procedure to Control Open Joint-Stock Companies whose Stock is in Federal Ownership and Federal State Unitary Enterprises”, and in accordance with the Regulations “On Information Disclosure by the Issuers of Outstanding Securities” No. 454-P approved by the Bank of Russia on December 30, 2014.

Accuracy of the data contained in this Annual Report was confirmed by RSC Energia’s Auditing Committee Report as of May 23, 2019.

This Annual Report was submitted for preliminary approval by RSC Energia’s Board of Directors on May 27, 2019, (Minutes No. 20 of 28.05.2019).

This Annual Report was approved at RSC Energia’s General Shareholders’ Meeting on June 29, 2019 (Minutes No 38 of 01.07.2019).

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1. BACKGROUND INFORMATION ABOUT RSC ENERGIA

1.1. Company background

S.P. Korolev Rocket and Space Public Corporation Energia (also hereinafter referred to as RSC Energia, Company) is the leading Russian rocket-space enterprise which builds both manned and unmanned space systems, launch vehicles and orbit-to-orbit transportation vehicles, as well as different high-technology systems for non-space applications. Also the Company is the key organization engaged in building and utilization of the International Space Station Russian Segment (ISS RS).

Major areas of the Company activities are: research and development in the field of natural and technical sciences; development, manufacture, ensured operational use of manned, unmanned space systems, different classes of launch vehicles and rocket-space systems designed to serve various national economic, defense and scientific purposes, as well as other high-technology products.

Full firm's name:	Публичное акционерное общество «Ракетно-космическая корпорация «Энергия» имени С.П. Королёва»
Shortened firm's name:	RSC Energia
Full firm's name in English:	S.P. Korolev Rocket and Space Public Corporation Energia
Shortened firm's in English:	RSC Energia
Status:	Public Company
Date of incorporation and number of State Registration Certificate:	06.06.1994 No.1430
State agency for registering legal entities:	Municipal Administration of Kaliningrad city, Moscow Region
RF subject where the Company was registered	Moscow Region
Main State Registration Number (MSRN):	1025002032538 of 21.10.2002 Registered by Interdistrict Inspectorate of Federal Taxation Service No.2, Moscow Region
Certificate of its being entered in the United State Register of Legal Entities:	Series 50 No. 02516454 Issued by Interdistrict Inspectorate of Federal Taxation Service No.2, Moscow Region
Taxpayer Identification Number:	5018033937
Place of business and mailing address:	4A Lenin Street, Korolev city, Moscow Region, 141070, Russia
Contact phone:	(495) 513-72-48
Fax:	(495) 513-86-20, (495) 513-88-70
Press service:	(495) 513-80-19
Company e-mail:	post@rsce.ru
Company web site:	www.energia.ru
Web site for disclosing information on the internet:	http://www.e-disclosure.ru/portal/company.aspx?id=1615

1.2. Period of the Company operation in the industry

RSC Energia has been conducting business in rocket and space industry since 1946 when a team of developers of long-range ballistic missiles was formed, which was headed and for 20 years led by Chief Designer of rocket and space systems and the founder of practical cosmonautics academician Sergei Pavlovich Korolev. The enterprise became the pioneer in virtually all the fields of our country's rocket and space technology.

At present, RSC Energia is involved in the following major areas of activities:

1. Manned space complexes and systems.
   - The major customers are State Corporation ROSCOSMOS, US National Aeronautics and Space Administration (NASA), European Space Agency (ESA), space agencies of other countries.
2. Unmanned space complexes and systems.
   - The major customers are from both Russia and abroad.
3. Rocket space systems and launch vehicles.
   - The major customers are both from Russia (State Corporation ROSCOSMOS, etc.) and abroad.

RSC Energia is the legal successor to Special Design Bureau-1 (OKB-1), Central Design Bureau of Experimental Machine-building (Ts KBEM) and Scientific – Production Association (NPO) Energia after academician S.P. Korolev. The Company was established by the Russian Federation President's Decree No 237 dated February 4, 1994 "On the Procedure for Privatizing Scientific and Production Association Energia named after academician S.P. Korolev" and on the basis of the Russian Federation Government Decree No 415 dated April 29, 1994 "On Establishing S.P. Korolev Rocket and Space Corporation Energia".

1.3. Information about the purchase and sale contracts for participating interests, equities, shares of business partnerships and companies concluded by the Company in 2018

In 2018 the Company did not enter into any purchase and sale contracts for participating interests, equities, shares of business partnerships and companies.

In the accounting year, RSC Energia joined the Program to handle non-core assets of State Corporation ROSCOSMOS (Board of Director's Minutes No 24 of 31.05.2018) and undertook package of measures in accordance with the requirements set out in the Program, including

- Committee on handling the Company non-core assets was set up;
- comprehensive analysis of movable property, real assets of book value above 10,0 million rubles, as well as the equities and stakes in the authorized capital of other companies was performed;
- Registry of non-core assets was formed and approved by RSC Energia's Board of Directors (Minutes No8 of 18.01.2019);
- proposals for estimated methods to administer non-core assets were prepared.

1.4. Information about the holding structure and the organizations involved

In order to improve the Russian Federation rocket-space industry organizations management system within a large-scale program to restructure Russian space industry, 2014 saw creation of open joint-stock company entitled "the United Rocket-Space Corporation" (OAO URSC, at the present time AO URSC) whose shares (100%) had been in federal ownership till November 2016 (Decree of the RF President No. 874 "On Rocket-Space Industry Management System" dated 02.12.2013). At the end of 2016, on the basis of Federal Property Management Agency's

Direction No 799-r of 14.10.2016, OAO URSC stock held in Federal ownership were transferred as property contribution of the Russian Federation to State Corporation ROSCOSMOS.

According to the Russian Federation Government Direction No. 114-r dated 03.02.2014, RSC Energia's stock which had been in the Russian Federation ownership (38.22 % of the authorized capital) was added to AO URSC charter capital as the Russian Federation contribution.

On December 19, 2016, the package of shares from RSC Energia owned by ZAO ZEM RSC Energia (3.17 % of the authorized capital) and AO IK Razvitiye (17.43 % of the authorized capital) was transferred in trust to AO URSC. As a result, by the end of its accounting period, AO URSC handled in the aggregate (both directly and indirectly) 58.82 % of RSC Energia's authorized capital.

Under the RF Government Direction N 1226-r of 20.08.2009 (taking into account subsequent revised versions) "On approval of the List of Strategic Organizations as well as Federal Bodies of Executive Power ensuring implementation of a common state policy in sectors of the economy where these organizations operate", RSC Energia was included in the List of Strategic Organizations.

In July 2015 under Federal Law "On State Space Corporation ROSCOSMOS", State Space Corporation ROSCOSMOS was created (hereinafter referred to as State Corporation ROSCOSMOS).

State Corporation ROSCOSMOS was set up in order to implement government policy concerning space activity and its regulatory control and legal regulation, as well as place orders for development, manufacture and delivery of space technology and space infrastructure objects. Also State Corporation ROSCOSMOS is responsible for development of international cooperation in space activity and capitalizing on space activity achievements for further socio-economic progress in Russia.

State Corporation ROSCOSMOS is an authorized body of administration in the field of space exploration, development and use which is invested with powers to carry out government administration and exercise management of space activity on behalf of the Russian Federation in accordance with the Russian Federation Law "On Space Activity", as well as regulatory control and legal regulation in this area.

Under the procedure established by the Russian Federation legislation, State Corporation ROSCOSMOS shall exercise powers (functions) of the general manager of budgetary funds; recipient of budgetary funds; chief administrative officer of budget receipts; administrator of budget receipts, state customer; state customer-coordinator; responsible contractor under state armament program; state-funded programs of the Russian Federation; presidential programs; Federal Space Program of Russia; interstate and federal target programs; state order; federal dedicated investment program; programs of Allied state and programs devoted to international cooperation in space activity.

State Corporation ROSCOSMOS is the legal successor of the USSR Ministry of Mechanical Engineering; Russian Space Agency; Russian Aviation-Space Agency and Federal Space Agency with regard to international contracts (agreements) of the Russian Federation for space activity concluded with the agencies and organizations of foreign countries and international organizations (including relevant contract commitments), as well as the legal successor of the Russian Aviation-Space Agency and Federal Space Agency as regards the agreements (contracts) in the above area concluded with federal governmental authorities; governmental authorities of the Russian Federation subjects; bodies of local government and organizations.

During 2018 State Corporation ROSCOSMOS effected some dealings in RSC Energia's stocks and initiated procedures of compulsory offers to buy out stocks provided for in Federal Law "On Joint Stock Companies", Article XI.I. As a result, by the end of the accounting period, the State

Corporation owned 33,71% of RSC°Energia's authorized capital. All in all, the State Corporation established control over 92,53%1 of RSC°Energia's authorized capital.

The 2016 - 2025 Federal Space Program of Russia (subsequently referred to as the FSP 16-25) approved by the Russian Federation Government Decree No 230 of March 23, 2016 was supplemented with RSC Energia's investment project entitled "Reconstruction and Technological Re-equipment of Industrial-Administration Building No 114 in order to create Assembly-Test Complex for assembly and testing of hardware for manned cosmonautics (subsequently referred to as ATC).

Investment Project is to be funded at the cost of the Federal budget and own means of the Company. In the FSP 16-25 under the ATC Project budgetary investments for the amount of 1 569,2 million rubles (428,5 million rubles for 2018) were planned to be attracted over the 2018-2019 period.

During 2018 RSC Energia implemented the procedures to increase its authorized capital. In December 2018, RSC Energia received funds form the Federal budget under the government investment contract as the state capital investments which had been concluded in the course of RSC Energia's authorized capital increase by way of placement of the Company additional common stock. As a result, on the date of 29.12.2018, 56 101 common stocks were transferred to the Russian Federation account (in the person of Federal Property Management Agency).

The report on stock issue results was recorded by the Bank of Russia on February 4, 2019. Thus, with due regard for actually placed equities of additional issue (state registration number 1-03-01091-A-001D) of 09.08.2018:

- common stock of RSC Energia owned by the Russian Federation in the person of the Federal Property Management Agency accounted for 4,755% of the total number of the placed common stock held by RSC Energia;
- common stock of RSC Energia owned by the State Space Corporation ROSCOSMOS accounted for 32,104% of the total number of the placed common stock held by RSC Energia
- common stock of RSC Energia held by right of ownership and at the disposal of the joint stock company the United Rocket-Space Corporation based upon the trust agreements accounted for 56,019%.

[1] Percent of the authorized capital size is indicated without regard for the additionally issued stock which was as 31.12.2018 in the process of placement.

2. PRIORITY DIRECTIONS OF RSC ENERGIA OPERATION

2.1. Information about the Company strategies and development programs

RSC Energia engages in business in accordance with the Plan to implement development strategy created by State Space Corporation ROSCOSMOS for a period up to 2025 and upwards till 2030.

Innovative development of the Company is conducted according to the Innovative Development Program (IDP). Updated IDP of the Company for the 2016-2025 period was approved by the Board of Directors on 21.12.2017.

Medium-term plans of putting IDP measures into effect are developed and updated on an annual basis. IDP implementation progress is monitored annually.

Financial Recovery Program was developed and approved by the Board of Directors (Minutes No 27 dated 18.06.2018)

2.2. Prospects for development of the Company

Manned Space Systems

As for the manned space systems, efforts will continue to deploy and operate the ISS RS, including:

- development of the multipurpose laboratory, node and science and power modules, integration of which into the ISS RS will make it possible to significantly expand the program of scientific and applied research, make the Russian Segment independent of power supply from the US Segment of the station;
- launches of Soyuz MS spacecraft and Progress MS transport cargo vehicles as part of the ISS Russian Segment logistics, step-by-step modification of these space vehicles in order to improve their performance and reduce dependence on import components;
- implementation of scientific-applied research and experiments program, as well as maturation of advanced space technologies;

It is planned that the ISS will be operated until 2024 and further. The time for the ISS decommissioning will be determined by an agreement between all the countries participating in the project.

Underway is work on building new-generation crew transportation spacecraft system (CTS Federation). Flight tests of the spacecraft are expected to start in 2024. Putting CTS into operation will enable more efficient transport operations and scientific research both in low-Earth orbit and beyond, including deep space.

Lunar Program

Upon signing by the heads of NASA and State Corporation ROSCOSMOS of the joint statement on cooperation in deep space research in September 2017, by January 2018 RSC Energia prepared and submitted to State Corporation ROSCOSMOS the proposals concerning the main provisions of the Russian Lunar Program. The ISS is the basic component of the Lunar Program; advantages of using circumlunar orbital visiting platform (COVP) for flights to the Moon surface are shown; importance of international cooperation in the Moon development is stressed.

Unmanned Space Systems

As far as unmanned space systems are concerned, work is underway on building spacecraft (SC) based upon unified space platform for government and commercial customers; developing space systems and complexes under special programs in the national security interests.

Cooperation with the Airbus Defense and Space will continue further, including activities within joint venture OOO Energia SAT, which will be focused on introduction of the advanced

technologies of modern spacecraft manufacturing and building competitive communications and Earth remote sensing SC.

Rocket-Space Complexes and launcher systems

On July 17, 2018 State Corporation ROSCOSMOS and RSC Energia entered into a contract for building medium class space rocket complex with launch vehicle (LV) Soyuz-5. This project is regarded as the phase in building super heavy space rocket complex. The first launch of Soyuz-5 LV is expected to occur in 2022. LV will be used to launch payloads under manned space programs and unmanned SC launch programs. 2017 saw LV preliminary design developed; works schedule is maintained. In April 2018, Soyuz-5 LV preliminary design was accepted by the customer.

Also the Company conducts the following activities:

- manufacture of DM-type Upper Stages (US) to launch spacecraft; their upgrading in order to improve mass-power properties and raise competitive ability;
- work on building super heavy LV and orbit-to-orbit transportation vehicles to support deep space research and development programs. As per Russian Federation Presidential Decree No 32 of 28.01.2018, it is planned to complete work on issuing the complex preliminary design materials for as early as 2019.

Innovative Development

RSC Energia Innovative Development Program envisages that the following main problems will be solved during 2016-2025 period:

- introduction of state-of-the-art technologies;
- improvement in labor productivity and creation of highly productive workstations;
- reduction of costs of production, lowering unit production costs;
- improvement in the products consumer attributes;
- expansion of export of goods and services;
- growth in long-term investment in applied research on advanced space technologies;
- improvement in energy efficiency and environmental friendliness of production.

2.3. Level of investment with a breakdown by financing sources in 2018

Name	Actually fulfilled in 2018, thousand rubles
Sources	716 437,7
Depreciation	287 938,3
Net profit	0,0
Current assets	0,0
Budgetary investment	428 499,4*
In addition, funds of participants in shared construction	876 034,9
Outlays	287 938,3
Acquisition of land plots	0,0
Construction of fixed assets installations	119 189,7
Acquisition of fixed assets installations	151 663,6
Conduct of research and development activities, acquisition of intangible assets	17 085,0
Besides, costs of residential construction	706 077,3

* Budgetary investment under the Contract for the Russian Federation participation in the investment subject property of 25.12.2018. As of 31.12.2018, balance of the personal account was 428 499,4 thousand rubles.

2.4. Quality Management System in force at the Company

The Company has adopted and uses Quality Management System (QMS), that was certified by the Quality Management System Certification Authority (QMS CA) “Soyuzcert” for conformance with

requirements of GOST R ISO 9001-2015, additional requirements of GOST RV 0015-002-2012, standards SRPP VT, GOST R EN 9100-2011, OST 134-1028-2012 with rev. 1, Provisions RK-98, RK-98-KT, RK-11, RK-11-KT during design, development, production, installation, repair and servicing of weapons and military equipment and rocket and space hardware (Certificate of Conformance No VR 05.1.12617-2018, period of validity form August 22, 2018 through August 22, 2021).

Serving as the QMS regulatory framework for the Company are national and branch standards, standards of the organization (company).

The Company QMS is based upon 63 BS (FS). The main regulatory document establishing the requirements for the Company QMS is Branch Standard 07530238-004-2009 "QMS. Manual on the quality of rocket and space hardware. Basic Provisions".

In 2018:

- introduced were 45 normative documents (ND) according to the schedules;
- introduced over and above the plan or authorized for use were 64 NDs;
- introduced were amendments to 24 Standards (BS, FS) of the Company;
- checked for compliance with 25 normative documents were 32 departments of the Company and ZAO ZEM. Performed was unscheduled inspection of compliance with the requirements of BS 07530238-003-2009 in workshops 440 and 445 when conducting field supervision.
- considered were 54 draft normative documents (GOST, GOST R, GOST RV); 27 draft international standards (ISO); 7 standards of State Corporation ROSCOSMOS (SC ROSCOSMOS BS); 41 draft Notices of Changes to normative documents (OST, RD);
- developed and implemented was standard: BS 07530238-064-2018 "Quality Management System. Procedure for selection and assessment of correct application of electronic components base for avionics. Set of operating mode charts".

Annual internal QMS checks (internal audits) are instituted per Company-wide administrative directives.

Main objectives and subjects of internal audits, guidelines for planning, conducting and documenting the audits of the Company QMS are defined in Factory Standard 351-205-2005 "QMS. Internal audit of the Quality Management System. General requirements".

In 2018 internal audits of the Company QMS were performed under the program approved on the Company instructions.

As part of the Company QMS internal audit for 2018, targeted audits were made in the departments concerning design documentation (DD) with respect to adherence to the procedure for DD concurrence and approval; updating DD prepared in paper and electronic forms as well as compliance with the procedure for handing over, accounting and record-keeping of documents ciphered "P". Particular emphasis was put on field supervision organization and performance by DD design divisions at manufacturing enterprises, including ZAO ZEM RSC Energia.

Activities are underway on certifying the Company rocket-space technology.

Issued are certificates of conformance on:

- Crew transportation spacecraft (CTS) Soyuz MS-08 and Soyuz MS-09;
- Soyuz MS-type CTS;
- Cargo transportation spacecraft (CTS) Progress MS;
- Baikonur-based rocket space complex with Soyuz FG launch vehicle and Soyuz MS CTS.

Work is underway in the Company on implementation of state-of-the-art information technologies into quality and reliability management system.

Electronic system "Quality State Monitoring" is being developed and improved:

1. Identified and approved is the List of commercial components (CC) for testing the system prototype.
2. Defined are the requirements for workstation (WS) to serve the task of CC quality state monitoring computerized.
3. Agreed upon is configuration of 10 AQ SMS workstations, as well as their adjustment and installation were performed.
4. Developed was prototype of analytical-information system "Article Quality State Monitoring System" (AQ SMS) as per Statement of Work (SOW).
5. Set up is the committee on testing prototype of information-analytical system "Article Quality State Monitoring System" (IAS AQ SMS).
6. Successfully tested is prototype of IAS AQ SMS and issued is preliminary test report.
7. Issued is provisional rules of procedure and system operational instructions.
8. Prepared is report on the system prototype readiness for putting into trial operation.

Quality State Monitoring system ensures the following:

- supply of summary information about nonconformities found in the Company-made articles and state of their removal in the stages of ground development testing, incoming inspection, assembly and tests at manufacturing plant; prelaunch processing at Processing Facility (PE), Launch Complex (LC) and flight operation;
- detection of existing deviations from the regulated procedures of studying nonconformances, criticality of their current state with their subsequent removal (impact on shipment of articles, their launch, etc.);
- access to detailed information about nonconformances (date of detection, content, cause, responsible for study, etc.);
- presentation of statistical information concerning nonconformances and deviations.

In 2018, quality assurance indices such as "Accident rate" and "Quality Assurance" were added to the List of Key Performance Indicators (KPIs) of RSC Energia.

Information about occurrence of complaints from the Government customers to the Company as to the quality of complexes (systems), special products.

Every quarter the Company Board of Directors meetings considers the reports on occurrence of complaints about defects (failures) of complexes (systems) and special articles due to nonconformance to customer's requirements, as well as the reports on QMS operation in the Company, maintenance of quality, reliability and safety of rocket-space technology.

In 2018 no complaints caused by non-conformance to the customer's requirements were received by RSC Energia as to the quality of complexes (systems), special articles from the government customers.

3. REPORT OF THE BOARD OF DIRECTORS ON THE RESULTS OF THE RSC ENERGIA DEVELOPMENT IN THE HIGH-PRIORITY AREAS OF ACTIVITY

3.1. Financial and economic results of activities in 2014-2018

		2014	2015	2016	2017	2018	increase/ decrease 2018/2017
Finance indicators							
Receipts	mln rubles	25 025,4	38 519,9	33 828,2	42 373,8	30 534,6	-28%
Cost value	mln rubles	23 725,0	36 885,5	31 571,2	38 884,9	28 144,3	-28%
Profit before tax	mln rubles	-654,6	1 634,3	- 7 919,0	2 206,2	-922,7	-142%
Net profit	mln rubles	-1 034,3	590,3	-8 187,8	1 232,4	-2 179,1	Significant drop
Level of capital investments	mln rubles	1 628,5	365,4	1 572,5	629,7	296,0	-53%
Dividends (declared dividends by annual performance results)	mln rubles	0,0	151,7	-	-	-	
Production figures							
ISS Russian Segment modules (manufacture/launch)	units	-	-	-	-	-	
Work-in-process of ISS Russian Segment modules	units	4	3	3	3	2**	
Transport manned space vehicles (manufacture/launch)	units	4/4	5/4	3/4	4/4	4/4	
Transport cargo space vehicles (manufacture/launch)	units	4/4	4/5	4/3	3/3	3/3	
Work-in-process of transport space vehicles (manned / cargo)	units	10/9	10/9	10/7	8/8	7/7	
Manufactured Upper Stages (state order / commercial order)	units	-/-	-/1	-/-	-/-	-/-	
Work-in-process of Upper Stages (state order / commercial order)	units	-/3	4/-	5/-	5/-	6/-	
Launches of spacecraft using Upper Stages (state order / commercial order	units	-/1	1/-	-/-	-/-	-/-	
Orders of unmanned spacecraft (state order / commercial order)	units	2/2	2/2	2/2	2/2	2/3	
R & D costs	mln rubles	21 450,3	34 207,2	28 663,9	36 004,6	23 636,8	-34%
Innovative products sales share in receipts	%	36,0	40,1	91,0*	94,5	92,1	-3%

* The procedure for calculating the indicator has been updated to take into account the R&R that are being conducted, thus making comparisons with previous periods incorrect.

** The Node Module (NM) *Prichal* has been built and is in safe storage pending a decision to launch (to be launched after the launch of the MLM module).

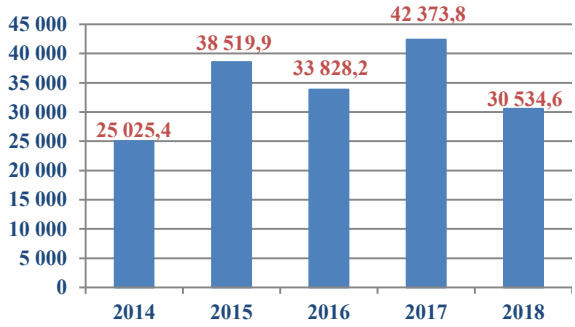
Key performance indicators for 2018

No Item #	KPI name	Unit of measurement	Weight	KPI target values for 2018
1.	Net profit	mln rubles	15 %	1 435
2.	Receipts	mln rubles	10 %	47 608
3.	Workforce productivity	Thou. rubles per man	15 %	3 632
4.	Indicator of completion of planned measures to provide substitution for imports	%	10 %	100 %
5.	Non-budgetary revenue	mln rubles	10 %	13 325
6.	Non-exceedance of the limit set for the ratio of debt to ability to pay (Net Debt/EBITDA)	coefficient	10 %	0,9
7.	Cost saving	%	10 %	2 %
8.	Innovation KPI	%	10 %	90 %
9.	Reducing the balance of treasury accounts	%	10 %	100 %
10.	Completion of tasks of the government order	%	reducing down to -100%	100 %
11.	Quality assurance	%	reducing down to -30%	100 %
12.	Failure rate	%	reducing down to -100%	0 %
13.	Implementation of the approved mission plan of the International Space Station within the established deadlines	%	reducing down to -50%	100%

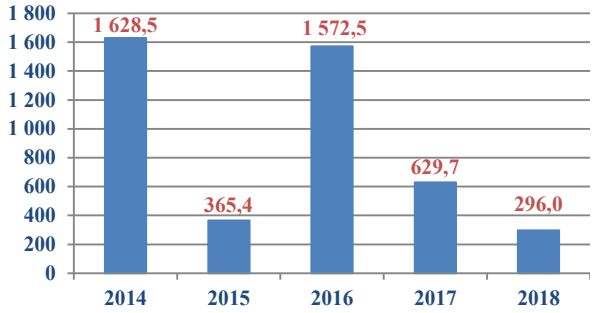
In accordance with the Decision of the Supervisory Board of State Corporation ROSCOSMOS dated April 23, 2018, at the direction of the RSC Energia Board of Directors (Minutes #28 dated June 29, 2018) the list of and the target values for the 2018 KPI indicators based on consolidated data of the public company RSC Energia and private company ZAO ZEM was approved.

Due to the failure of the Angosat SC and the non-fulfillment of the “Failure Rate” KPI, the integral estimate for the fulfillment of the KPI targets for 2018 is expected to be equal to zero.

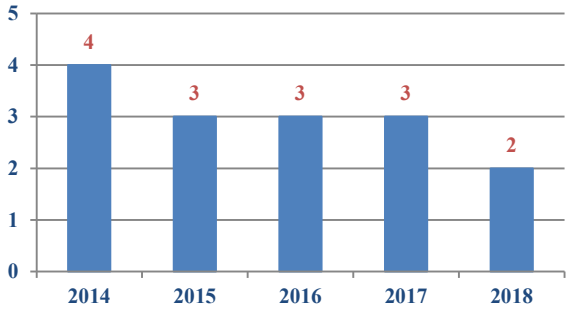
Receipts, mln rubles



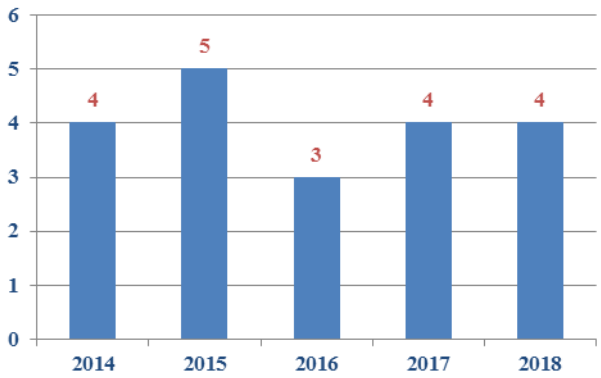
Level of capital investments, mln rubles



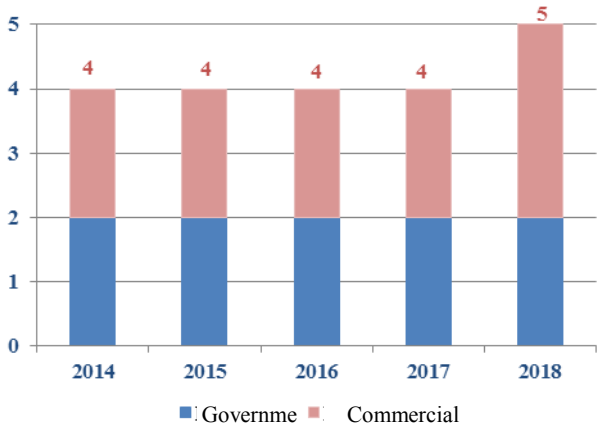
Work-in-process of ISS Russian Segment modules, units



Number of crew transport spacecraft, units



Number of orders for unmanned spacecraft, units



3.2. Major competitors in the industry

At present, RSC Energia provides services to deliver and return crews to/from the ISS and holds the monopoly in the manned spaceflight segment of the world market.

Competition to the Company in the manned spaceflight market is expected to come from US companies Boeing and SpaceX (currently engaged in the development of Starliner and Crew Dragon spacecraft (Fig. 1), with a possible start of regular operation slated for 2020).

It is noteworthy that in the USA the concurrent design efforts are conducted not only on commercial crewed spacecraft for missions into low Earth orbit, but also on the government-owned crewed spacecraft Orion (made by Lockheed Martin) for missions beyond the low Earth orbit (Fig. 1).

Starliner ***Crew Dragon*** ***Orion***

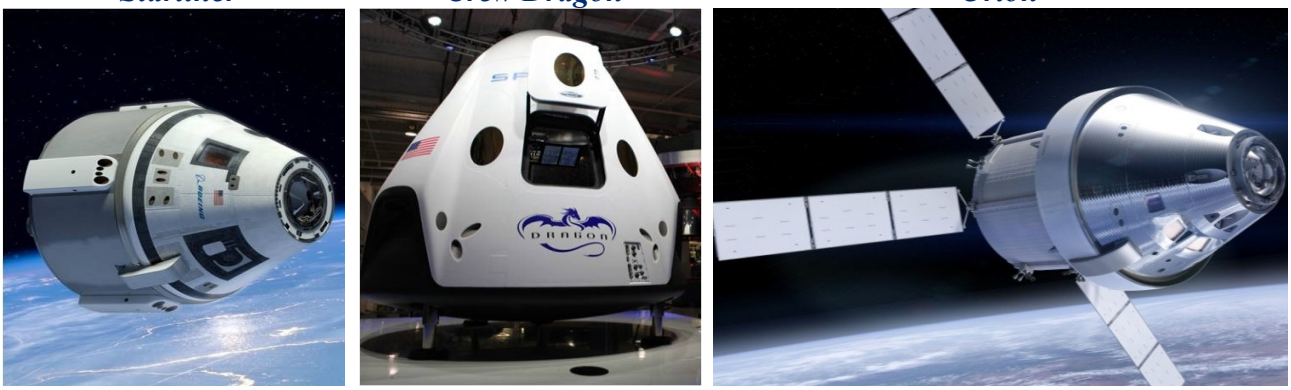


Fig. 1. Future US manned spacecraft

In 2019-2020 People's Republic of China will continue preparations for starting the third phase of its national Manned Program – the construction of a long-term orbital station in the low Earth orbit. Space transportation support for the Chinese orbital station will be provided by the manned spacecraft Shenzhou and cargo spacecraft Tianzhou (Fig. 2). By now, there have been 11 missions of the manned spacecraft *Shenzhou*, including six that were carried out in manned mode. The maximum mission duration for the manned spacecraft Shenzhou was 33 days (Oct. 16, 2016 through Nov. 18, 2016). In 2019 China plans to put in orbit a full-scale model of a new-generation reusable crew transportation spacecraft, designed for missions to low-Earth orbit, as well as missions to the Moon, and, in the long run, to Mars.

Shenzhou ***Tianzhou***

Fig. 2. Transportation spacecraft of China

The cargo transportation spacecraft Tianzhou, which flew its first mission Apr.20, 2017 through Sep.22, 2017, is (along with the Japanese cargo spacecraft HTV) one of the largest space cargo transportation spacecraft. The cargo spacecraft Tianzhou can deliver to the station up to 6.5 tons of

payloads. The spacecraft is equipped with a system for refueling the orbital station propulsion system with propellant components. The tests of the refueling system of the cargo spacecraft Tianzhou were successfully conducted three times during its first mission.

RSC Energia is not a monopolist in the world market segment for cargo delivery to the ISS.

At present, cargo is delivered to the ISS by both Russian cargo spacecraft *Progress MS* and vehicles of the international partners (Fig. 3): Japanese cargo spacecraft HTV, as well as US cargo spacecraft Dragon (made by SpaceX) and Cygnus (made by Northrop Grumman Innovation Systems, formerly known as Orbital ATK). Flights to the ISS of cargo transportation spacecraft Dragon and Cygnus are carried out within the framework of contracts signed with NASA under commercial resupply services programs.

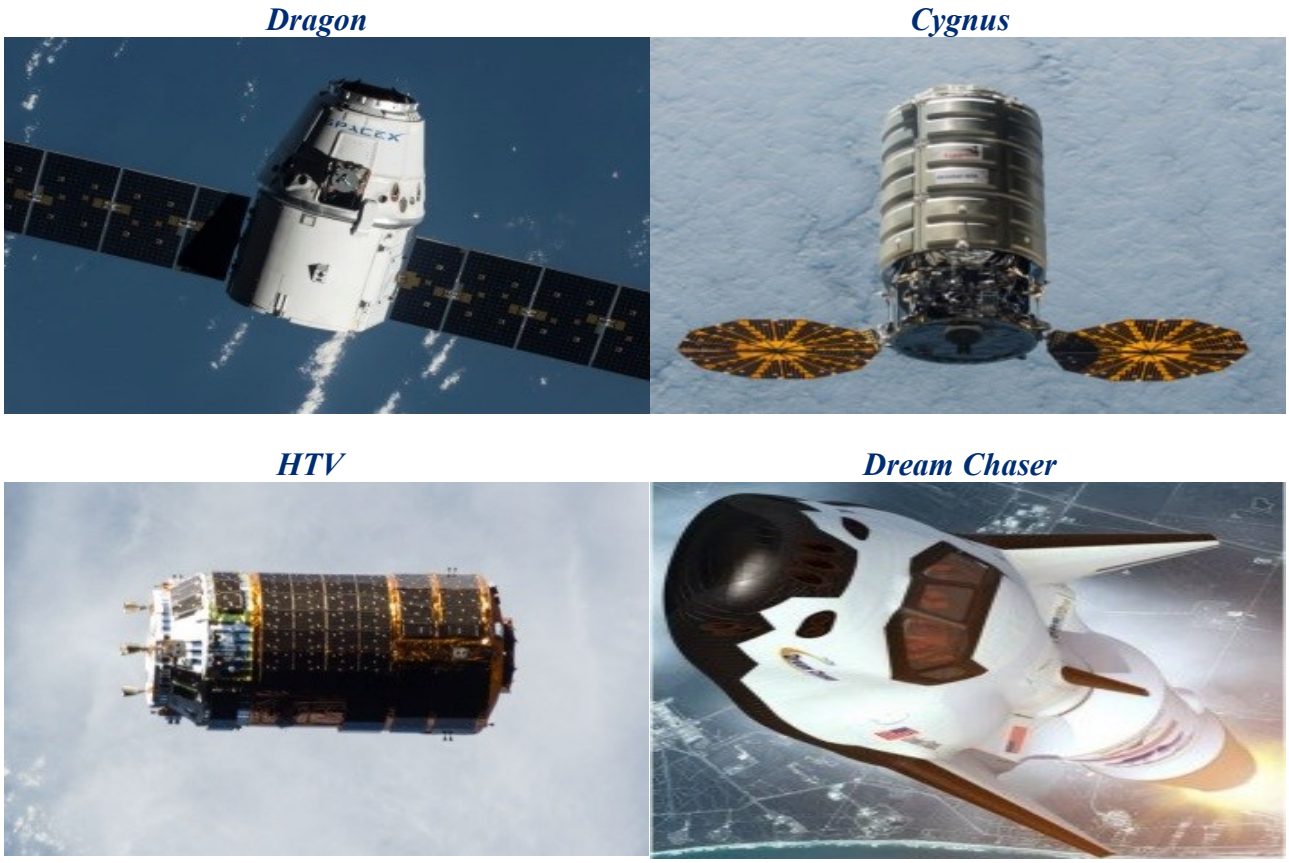


Fig. 3. Cargo spacecraft of the international partners in the ISS program

It is expected that in 2020 a new player will appear in this segment of the market – Sierra Nevada Company with its reusable spacecraft Dream Chaser.

The leader in returning payloads from the ISS is SpaceX. Within the framework of the 16 completed commercial missions (15 of them successful) of the Dragon spacecraft, about 20 metric tons of payloads were returned. Cargo Transportation spacecraft *Progress MS* offers no capability to return payloads to Earth. Every year about 200 kg of payloads are returned onboard crew transportation spacecraft *Soyuz* (about 50 kg per each mission).

3.3. The Company's share in respective market segment in terms of its core business and dynamics of this indicator over the last 3 years

RSC Energia's share of the market of services to deliver/return crews to/from the International Space Station (ISS) is currently 100%.

As for logistics missions to the ISS, the Company's market share in 2018 was 33.3% (Fig. 4). In 2018 66.6% of launches of cargo spacecraft to the ISS were made by USA (3 Dragon spacecraft and 2 Cygnus spacecraft) and Japan (1 HTV spacecraft).

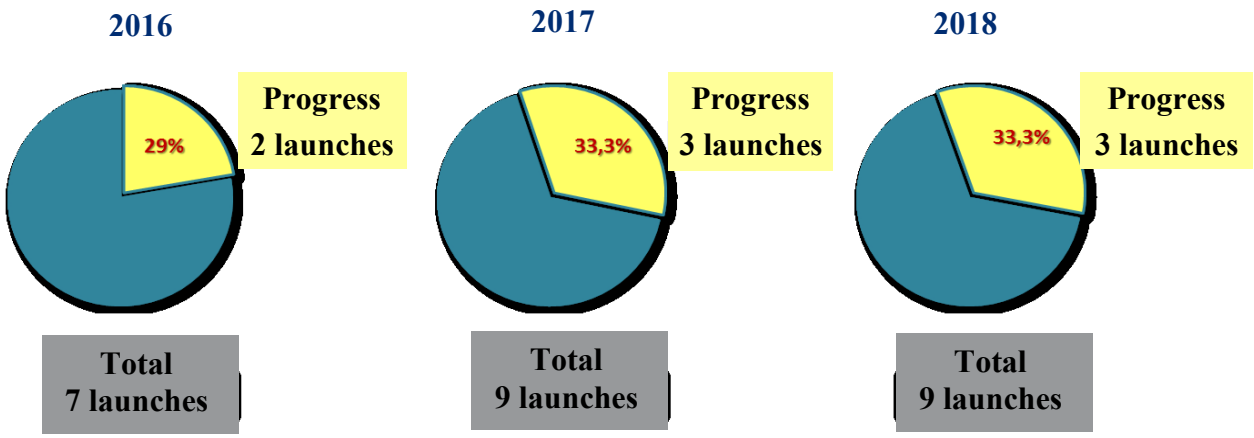


Fig. 4. Successful launches of RSC Energia logistics spacecraft under the ISS Program

In the launch vehicles market segment, RSC Energia delivers upper stages of the Block DM family to support launches under government programs. However, in 2018 there were no deliveries of upper stages Block DM.

The share of the Company in the market segment of communications and Earth Remote Sensing (ERS) spacecraft is insignificant.

3.4. Transportation and engineering support of the ISS, flight operation of rocket and space complexes and systems

RSC Energia, being the prime contractor for the Russian Segment of the ISS, continued in 2018 to perform launches of manned spacecraft *Soyuz MS* and logistics spacecraft *Progress MS* in the framework of the ISS logistics support, namely:

- carried out manufacturing, testing, launching and docking/undocking with/from the ISS of crew transportation spacecraft *Soyuz MS-06*, *Soyuz MS-07*, *Soyuz MS-08*, *Soyuz MS-09*, *Soyuz MS-11* (Fig.5), as well as cargo transportation spacecraft *Progress MS-08*, *Progress MS-09*, *Progress MS-10*;
- carried out four Expeditions – ISS-54, ISS-55, ISS-56, ISS-57, started Expedition ISS-58.

During the launch of *Soyuz MS-10*, there was a launch vehicle failure. The spacecraft Emergency Rescue System (ERS) operated normally, the spacecraft carrying the crew of Expedition ISS 57/58 safely landed downrange in Kazakhstan.

ISS 53/54
Soyuz MS-06
Landed on Feb. 28, 2018

ISS 54/55
Soyuz MS-07
Landed on June 3, 2018

ISS 55/56
Soyuz MS-08
Mar.21 – Oct 4, 2018

ISS 56/57
Soyuz MS-09
Jun 6 – Dec 20, 2018

ISS 57/58
Soyuz MS-10
Oct 11, 2018, abort system activated

ISS 58/59
Soyuz MS-11
Launched on Dec 3, 2018

Fig.5. International crews in 2018.

For the first time in history the cargo spacecraft *Progress MS-09* used a super-quick rendezvous profile developed by RSC Energia for docking with the ISS. Switching to the quick rendezvous and docking process makes for improved spacecraft performance, and, with regard to manned spaceflight, significantly increases the level of comfort for the crew and allows cosmonauts to adapt to life onboard the station quicker. It is planned to use the super-quick rendezvous profile in the future for manned launches to the ISS, including tourist flights, as well as in the course of the lunar program.

The ISS mission plan for 2019 has been developed and approved (Feb 26, 2019), which calls for launching of four crew transportation spacecraft *Soyuz MS* and three cargo spacecraft *Progress MS*.

3.5. ISS operation

As of the end of 2018 the ISS (Fig. 6) consisted of the following modules and vehicles of the international partners:

- The Russian Segment – modules *Zarya*, *Zvezda*, *Pirs*, *Poisk*, *Rassvet*, crew transportation spacecraft *Soyuz MS-11* and cargo spacecraft *Progress MS-09*, *Progress MS-10*.
- The US orbital segment – modules *Unity*, *Destiny*, *Quest*, *Harmony*, *Tranquility*, *Cupola*, *Leonardo*, BEAM, the European module *Columbus*, the Japanese module *Kibo*, multisection truss structure with solar arrays, radiator panels and cargo stowage platforms, as well as a remote robotic arm *Canadarm* and US cargo spacecraft *Dragon SpaceX* CRS-16 and *Cygnus* CRS NG-10.

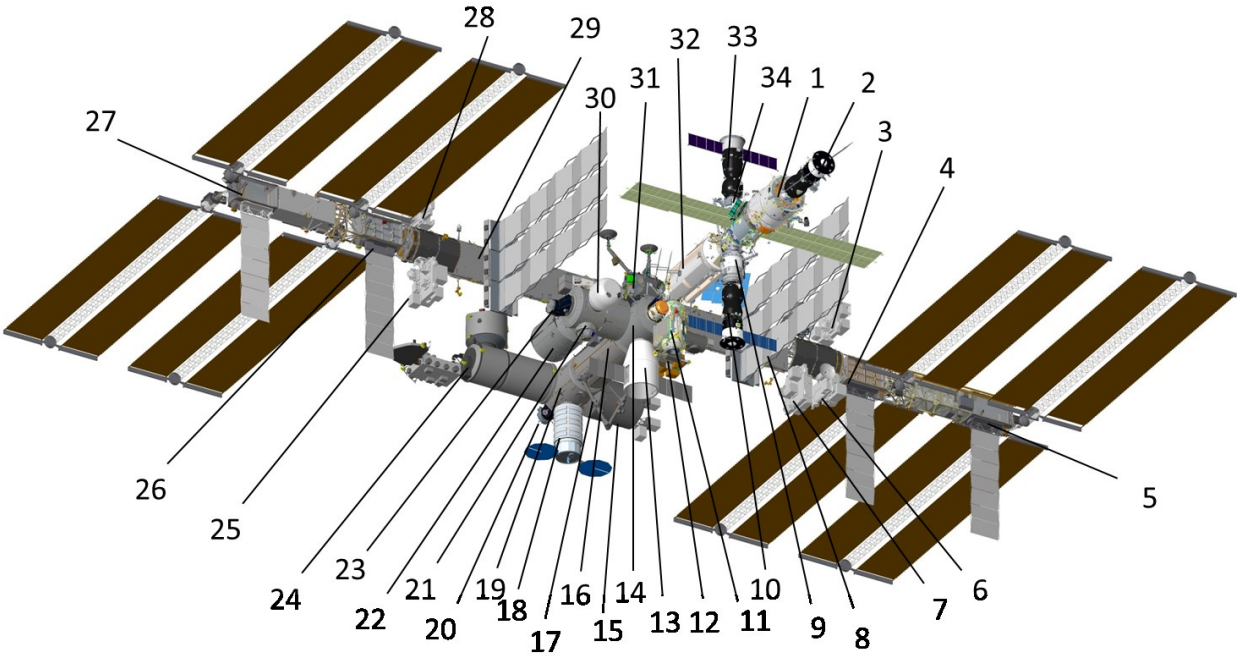


Fig.6. ISS configuration as of Dec 31, 2018

1. Service Module *Zvezda* (SM)
2.Cargo transportation spacecraft *Progress MS-10*
3. Express Logistics Carrier (ELC2);
4. S3/S4 truss;
5. S5/S6 truss;
6. External Stowage Platform (ESP3);
7. Express Logistics Carrier (ELC4);
8. S1 truss;
9. Docking compartment *Pirs* (DC1);
10.Cargo transportation spacecraft *Progress MS-09*
11. Mini Research Module No.1 *Rassvet* (MRM1)
12. Airlock with External stowage platform (ESP2);
13. US cargo spacecraft *Cygnus* (NG-10);
14. Node Module *Unity* (Node1) with Pressurized Mating Adapter 1 (PMA1)
15. European laboratory module Columbus (COL);
16. Laboratory module Destiny (Lab);
17. Robotic arm (SSRMS);
18. US cargo spacecraft *Dragon* (SpX-16);
19. Node Module *Harmony* (Node2);
20. Pressurized Mating Adapter No.2 (PMA2) with International Docking Adapter No.2 (IDA2);
21. Node Module *Tranquility* (Node3) with observation module *Cupola*;
22. Permanent Multipurpose Module *Leonardo* (PMM);
23. Pressurized Mating Adapter No.3 (PMA3);
24. Japanese Experimental Module (JEM) *Kibo*
25. Express Logistics Carrier (ELC1);
26. P3/P4 truss;
27. P5/P6 truss;
28. Express Logistics Carrier (ELC3);
29. P1 truss;
30. Transformable module BEAM;
31. Z1 truss segment;
32. Functional cargo unit *Zarya* (FGB);
33.Cargo transportation spacecraft *Progress MS-11*
34. Mini Research Module No.2 *Poisk* (MRM2).

Work currently continues on the operation of the Russian Segment of the International Space Station.

Chronology of launches and landings of Soyuz spacecraft in 2018

2018 saw three successful launches of crew transportation spacecraft *Soyuz MS*. The spacecraft delivered to the ISS the crews of expeditions and payloads, provided permanent readiness to rescue the crews in case of contingencies onboard the ISS requiring an urgent evacuation.

Launches of Soyuz MS spacecraft in 2018

No	Spacecraft name, launch date	Crew	Purpose
1	Soyuz MS-08 (serial No.738) 21.03.18	*Commander* O. Artemiev *Flight engineer-1* A. Feustel (NASA) *Flight engineer-2* R. Arnold (NASA)	ISS transportation support
2	Soyuz MS-09 (serial No.739) 06.06.18	*Commander* S. Prokopiev *Flight Engineer-1* A. Gerst (ESA) *Flight engineer-2* S. Auñón-Chancellor (NASA/ Boeing)	ISS transportation support
3	Soyuz MS-10 (serial No.740) 11.10.18	*Commander* A.Ovchinin *Flight engineer-1* T. Hague (NASA)	LV failure caused the activation of the crew rescue system and an emergency landing was performed
4	Soyuz MS-11 (serial No.741) 03.12.18	*Commander* O. Kononenko *Flight Engineer-1* D. Saint-Jacques (ESA) *Flight engineer-2* A. McClain (NASA)	ISS transportation support

Commitments of State Corporation ROSCOSMOS on providing flights of international crews to the ISS and implementation of their research programs, have not been fully fulfilled in 2018 owing to the failure of LV Soyuz-FG that carried the manned spacecraft *Soyuz MS-10* (commitments with respect to NASA will be fulfilled in March 2019).

Emergency crew rescue system was activated, the descent vehicle of *Soyuz MS-10* made an emergency landing, the crew came to no harm.

Four descent vehicles of *Soyuz MS* spacecraft have successfully returned to Earth after completion of their mission plans. These descent vehicles descended through the atmosphere in the nominal automatically controlled descent mode and landed within their designated landing areas. They returned results of Russian scientific research programs and programs under contracts with international partners. The total mass of returned cargoes was 201.1 kg.

Landings of descent vehicles of Soyuz MS spacecraft in 2018

#	Spacecraft name, landing date	Crew	Returned cargo, kg		
			Russian	NASA	Total
1	Soyuz MS-06 (serial No.734) 28.02.18	*Commander* A. Misurkin *Flight engineer-1* M. Vande Hei (NASA) *Flight engineer-2* J. Acaba (NASA/ Boeing)	28,4	20,5	48,9
2	Soyuz MS-07 (serial No.737) 03.06.18	*Commander* A. Shkaplerov *Flight engineer-1* S. Tingle (NASA) *Flight engineer-2* N. Kanai (JAXA)	26,8	22,6	49,4
3	Soyuz MS-08 (serial No.738) 04.10.18	*Commander* O. Artemiev *Flight engineer-1* A. Feustel (NASA) *Flight engineer-2* R. Arnold (NASA)	38,8	22,7	61,5
4	Soyuz MS-09 (serial No.739) 20.12.18	*Commander* S. Prokopiev *Flight engineer-1* A. Gerst (ESA) *Flight engineer-2* S. Auñón-Chancellor (NASA)	30,1	11,3	41,4

Summary of the launches of Progress MS spacecraft in 2018

Name	Launch date	Docking date	Undocking date	Mass of delivered cargoes, kg				
				Propellant	Cargo in cargo compartment	Water	Gases	Total
Progress MS-08	13.02.2018	15.02.2018	23.08.2018	759	1388	420	46	2613
Progress MS-09	10.07.2018	10.07.2018	25.01.2019	780	1503	420	47	2750
Progress MS-10	16.11.2018	18.11.2018	03.06.2019*	975	1327	420	51	2773

Note: * the scheduled date of *Progress MS-10* undocking.

INTERNATIONAL SPACE STATION EVOLUTION

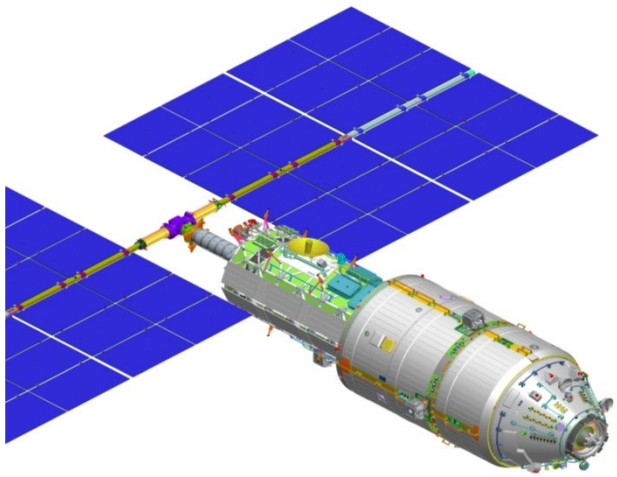
Development of the Multi-purpose Laboratory Module with upgraded operational performance (MLM-U) Nauka

Launch mass	20 257 kg
The mass of the module within the ISS RS	24200 kg
Pressurized volume	70 m³
Volume for science equipment	6 m³
Power for science equipment	up to 2.5 kW
Number of external workstations	16
Life in orbit	10 years
Delivery vehicle	Proton-M

MLM-U consists of a Multi-purpose Laboratory Module (MLM) a Large Objects Attachment Device (LOAD). MLM is to be put into orbit by a *Proton-M* LV and integrated into the ISS RS.

In 2018 Khrunichev State Research and Production Space Center performed work to correct the anomalies that had been previously identified. Also performed was work to extend the warranty period of the MLM instrumentation and equipment to cover the due date for the launch of the module, which included additional tests. A work station has been made ready for the MLM processing and testing in the pre-launch processing facility at the Baikonur launch site.

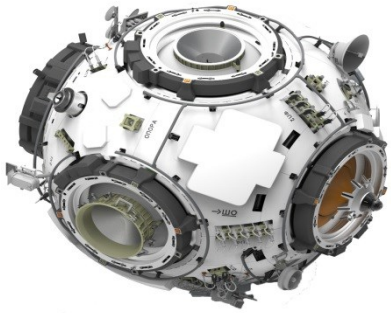
Development of the Science and Power Module (SPM)



Launch mass	20 890 kg
Pressurized volume	92 m^3
The orbital altitude for docking with the ISS	350 to 410 km
Volumes for scientific equipment and cargoes	15 m^3+7.6 m^3
Annual average generated electric power at the beginning of life	no less than 18 kW
120 V electric power supplied to the ISS RS	up to 12 kW
Life in orbit	15 years
Delivery vehicle	Proton-M

In 2018 Federal State Unitary Enterprise TsNIIMash fully completed static tests on the mockups of the SPM pressurized and unpressurized compartments. Some of life tests milestones were completed. Assembly work was performed on vibration strength mockups and the flight model of SPM. Working documentation development milestone was completed for the rocket and space complex Proton-SPM, manufacturing of its components began.

Node Module (NM) Prichal



Launch mass	4750 kg
Mass within the ISS	3890 kg
Mass of delivered cargoes	700 kg
Pressurized volume	19 m³
The spherical shell diameter	3300 mm
Life in orbit	10 years
Delivery vehicle	*Progress M-UM*

NM assembly and all the tests on it were completed in 2014. Since November 17, 2014, it is held in safe storage at ZAO ZEM of RSC Energia until the Customer makes a decision on its launch. Since 2016, the module has been undergoing annual scheduled maintenance as a part of the cargo transportation spacecraft-module.

3.6. Results of scientific programs onboard the ISS RS

2018 saw continued utilization of the ISS Russian Segment under programs of applied science research during expeditions ISS-54 (ending), ISS-55, ISS-56, and ISS-57.

Experiments were performed in all four modules of the ISS Russian Segment: SM, DC1, MRM1 and MRM2.

Major results of science programs in 2018:

- 66 experiments were carried out in 1586 sessions, out of which 7 experiments are new;
- the research was carried out in the interests of 15 principal investigator organizations from the Russian Academy of Sciences, various ministries and agencies;
- approximately 1700 hours of crew time were spent on scientific research, taking into account the work done by cosmonauts in their personal time;
- delivered to the ISS Russian Segment were 495 kg of scientific equipment and consumables for upgrading and maintaining operational performance of the mission payloads;
- as of December 2018, a suite of mission payloads has been formed onboard the ISS RS (taking into account the disposal of the obsolete unused equipment) consisting of 930 items of scientific instrumentation and equipment with a total mass of 1739 kg;
- returned to Earth were 130 kits of experimental results with a total mass of more than 56 kg, including urgent cargoes containing biological samples that had been exposed to spaceflight environments. The materials were handed over to principal investigators for processing and analysis.

Within the framework of preparations for and implementation of scientific programs onboard the ISS, RSC Energia, besides carrying out the functions of the prime developer of the manned space systems, mission control, developer of scientific equipment, carried out the tasks of the principal investigator for 50 experiments of the Russian long-term program of applied scientific research (which constitutes 17% of their total number), being the prime organization of the Engineering Studies and Experiments subpanel of the Roscosmos Coordinating Scientific and Technical Council. The results of this experiments are to be used to develop new and improve the existing engineering systems to support future space missions.

In particular, completed in 2018 was a space experiment “Otklik” (“Response”), the main objective of which was to study characteristics of the stream of 0.1 to 1.0 mm meteoroids and man-made particles in near-Earth space.

Scientific equipment “Otklik” can be regarded as a prototype of a support system, which could quickly determine the location of a manned space vehicle pressure shell puncture, where acoustic sensors are placed in all of the vehicle’s modules, and the crew is automatically informed of the puncture location, thus significantly improving the vehicle’s crew survivability.

2018 saw the beginning of the space experiment “MKS-Razvorot” (“ISS Turn”), which involves development of algorithms for performing propellant-optimal ISS turn maneuvers using jet thrusters and taking into account the constraints on the magnitude of elastic loads in the ISS structural nodes.

Successful conducted in December of 2018, in the course of Magnetic 3D BioPrinter space experiment onboard the ISS RS, were the world’s first flight tests of a magnetic 3D bio-printer (MBP), which enables, on a new technological level, studying physiological processes occurring during forming engineering tissue structures in zero gravity environment.

Ultimately, the formative 3D biofabrication performed by the method of programmable self-assembly of living tissue using a magnetic 3D bioprinter, could be used to build structurally complex human tissues and organs, including radiation sensitive sentinel organs, as well as to grow protein food during long space missions.

Overall, as a result of concerted efforts of specialists from all the subdivisions of RSC Energia, in spite of the shortage of crew time needed to implement the program of applied scientific research, in 2018 the ISS Russian Segment continued to be fully utilized as a unique scientific and engineering laboratory for carrying out basic and applied research in space.

By the end of 2018, the Long-term Program of Applied Scientific Research planned for the ISS RS included 299 experiments (during the year, 11 new experiments were added and 2 experiments were deleted, since they were no longer of interest), out of which 111 experiments (37%) were fully completed.

188 experiments on the Long-term Program of Applied Scientific Research, which are currently in the implementation or ground preparations phase, are broken down into six areas of research as follows:

- physical and chemical processes and materials in space environment - 25;
- Earth and space studies - 40;
- humans in space - 24;
- space biology and biotechnology - 28;
- space exploration technologies - 56;
- education and popularization of space research - 15.

The suite of the utilization payloads and onboard equipment supporting their operation that was established by the early 2019 onboard the ISS RS modules makes it possible to continue scientific and applied research for widespread adoption of their results on the ground, and for introduction of engineering solutions found in the course of the space mission into the development of new-generation research spacecraft.

3.7. Advanced space systems

In 2018, the implementation of the government contract for the constituent part of the R&D project Advanced Crew Transportation Spacecraft (Flight Development Tests-1) continued. Work was done in the following areas:

- Publication of Design Documentation (DD);
- Manufacturing mockups of onboard systems components;
- conducting stand-alone tests;

- development of a preliminary design for a space complex with a CTS and a medium LV at the Baikonur launch site.

In accordance with an order issued by General Director of State Corporation Roscosmos D.O. Rogozin, specialists from RSC Energia published a document entitled "Crew Transportation Spacecraft. Supporting the first launch within space system with a launch vehicle Soyuz-5. Ground rules". The product that is being developed – the first flight model of the CTS – is intended for trying out the interactions between the space system components in the course of pre-launch processing of the CTS and the ascent unit with the CTS at the launch site, developmental tests of the spacecraft and ascent unit functioning during ascent, developmental tests of the spacecraft functioning when in orbit, during descent and landing, and developmental tests of post-flight servicing. Its development will make it possible to unconditionally fulfill the requirement to start flight tests of the space system with CTS and Soyuz-5 LV at Baikonur in 2022.

Apart from building the mockups and developing the space system, specialists from the flight test department of the Company ran an integrated experiment in the ergonomics test rig to simulate the CTS crew activities during manned flight. A set of flight operations within one sequence was tested, which included pre-launch processing, orbital insertion, rendezvous and docking with the space station.

In 2018 there was some work done on the rocket and space integrated systems Proton-SPM, Proton-MLM. Working design documentation was published for Proton-SPM.

Work on the lunar program concept

In 2018 RSC Energia did some studies on the engineering and programmatic aspects of the Lunar Program.

Proposals were generated on the Lunar Program Concept, which gradually leads to achieving the goals of lunar exploration.

It is proposed that the first phase of the Russian lunar program should include exploration of the Moon by robotic spacecraft, the beginning of establishment of a man-tended circumlunar platform, development of technologies and hardware, development of CTS during missions to the ISS, unmanned and manned circumlunar missions, first missions to the circumlunar platform.

The timeframe for the first phase is 2019-2027.

The main results are presented in the document "Lunar Program – The Ground Rules".

3.8. Launch vehicles

Major areas of activities:

- improving the upper stage mass properties and performance;
- upgrading and standardizing the upper stage design;
- author's supervision of manufacturing and testing of systems, assemblies and upper stages as a whole;
- Performing R&D on the advanced launch vehicles (medium and super-heavy space rocket systems).

Over the period under review, more than 100 design and engineering documents have been developed and published.

Medium Launch Vehicle System (MLVS)

In 2018 RSC Energia completed developing a preliminary design for a medium launch vehicle system under a government contract with State Corporation Roscosmos.

The preliminary design for the medium launch vehicle system includes more than 200 documents developed by RSC Energia and a number of companies in the industry.

The preliminary design materials contain general information and key performance specifications for the launch vehicle system at the Baikonur cosmodrome based on the newly developed Russian-made medium launch vehicle, which was given the name LV Soyuz-5.

In April 2018 the preliminary design of MLVS was accepted by the customer.

Medium Space Rocket System (MSRS)

In July 2018 a government contract was concluded with State Corporation Roscosmos for R&D project Development of New-Generation Medium Space Rocket System. This work is a follow-up to the preliminary design of MLVS. Based on the government contract, work was organized to develop the materials on the MSRS preliminary design.

Super-Heavy Space Rocket System (SHLVS)

On January 29, 2018, RF President V.V. Putin signed a decree to establish at the Vostochny launch site a space rocket complex for a super-heavy launch vehicle. RSC Energia was designated as the prime developer of the system, and RSC Progress and TsENKI were designated as its prime subcontractors.

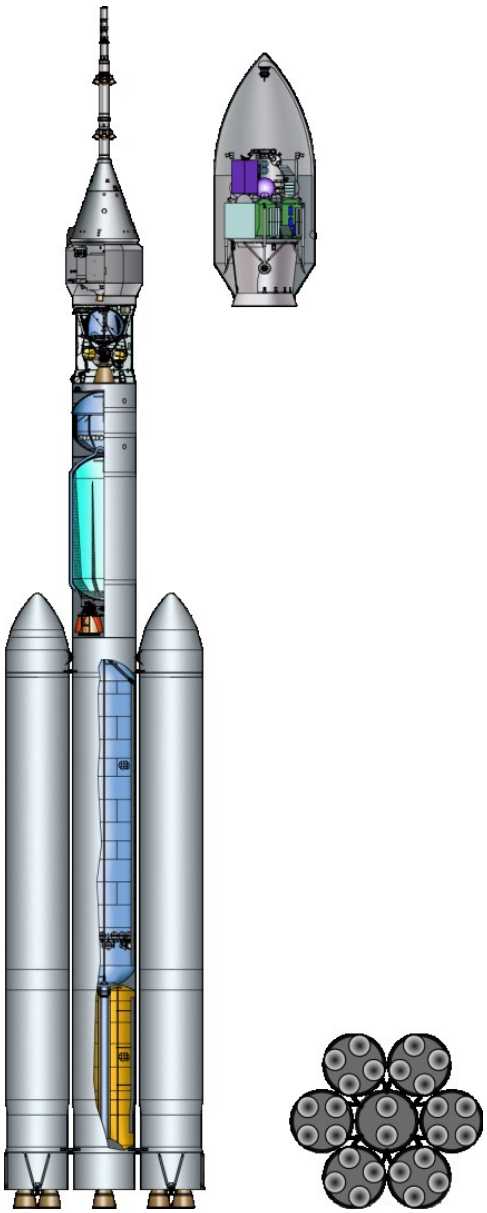


Fig. 8. General view of the SHLV

In accordance with the specification of requirements for the preliminary design, it is proposed to develop the SHLV using rocket stages of the LV Soyuz-5 as a basis in a step-by-step manner so that flight development tests could be started in 2028.

The development of a SHLV with an up to 100 tons load-carrying capacity (Phase 1), which supports putting a 20 ton (Phase 1) CTS into a polar circumlunar orbit, makes it possible to embark on the practical implementation of the main long-term objective of manned spaceflight – manned missions to the Moon, including insertion into the lunar orbit of manned and cargo transportation spacecraft, ascent/descent spacecraft and modules of cis-lunar orbital stations.

In 2018, in the course of the SHLV preliminary design effort, a scientific technical report was published.

Sea Launch system

In April 2018 the deal to sell the Sea Launch system was closed, the system passed under control of the closed joint-stock company “S7 Group”.

3.9. Unmanned space systems

The scope of activities in the field of unmanned space systems includes:

- developing space communications and broadcasting systems,
- developing spacecraft for Earth remote sensing, including spacecraft for high-resolution electrooptical observations;
- adaptation of launch vehicles to SC in support of the launch;
- RF frequency support for the current and future projects;
- protection under international law of frequency assignments to satellite communications and Earth remote sensing systems;
- development of the ground user segment for unmanned space systems.

In late 2017, Angosat SC was launched, communications with which were lost in 2018.

3.10. The use of space technologies on Earth

Prosthetics aids

Within the framework of an investment activity project "Manufacturing a Pilot Batch of an Electromechanical Hand and its Introduction into Serial Production" in 2018 work was done to obtain state registration of the electromechanical hand as a medical product in accordance with the requirements of the Russian Federation laws and regulations. In order to carry out this work, a contract was signed with FSBI VNIIIMT of Roszdravnadzor (Federal Service of Russia for the Oversight of Public Health and Social Development) for providing services in support of technical tests on the electromechanical hand. In 2018 FSBI VNIIIMT of Roszdravnadzor made an expert examination of the regulatory, technical and operational documentation on the electromechanical hand.

As regards on-the-spot designer supervision over the serial production of the modules and assemblies of the prosthetic and orthopedic appliances, work was performed at ZAO ZEM of RSC Energia to support updating design documentation for the modules and assemblies of the prosthetic and orthopedic appliances, which had to do with changes in manufacturing process and equipment, and improvement of the functionality and performance of the modules and assemblies. Support was provided for the manufacturing of components for modules and assemblies of prosthetic and orthopedic appliances including on-the-spot resolution of issues.

In 2018, work was done to support the sales of the pilot batch of the hand modules for upper limb prostheses that had been built earlier within the framework of the investment project of the Company.

As regards the measures to introduce into prosthetic care new modules and assemblies of prosthetic and orthopedic appliances, work was done in cooperation with specialist from the Bauman Moscow State Technical University aimed at improving operational stability of the control system for the forearm prosthesis with the electromechanical hand, and developmental testing of the control system algorithms using the scientific and technical facilities of the FSBI FNTsRI named after G.A. Albrekht of the Ministry of Labor of Russia.

3.11. International activities of the Company

In 2018 RSC Energia continued its work under international programs and contracts. The range of activities included development and delivery of space hardware for various purposes, manned missions to the ISS, in-orbit services and experiments, launch services, etc.. Cooperation with foreign partners was carried out on various levels: states, space agencies, state-owned and private companies.

A most important task of the Company against the background of sanctions was to preserve the cooperation and the level of partnership that had been achieved over the preceding period of more than forty years. At the same time, these artificial obstacles stimulated the search for new partners and new markets. In the last few years a series of meetings was held with representatives of space communities of China, India, Egypt, Angola, Saudi Arabia, UAE and other countries. There is an on-going process of looking for opportunities for mutually beneficial cooperation.

The Company took part in a number of joint ventures. Regular meetings and talks with foreign specialists were held, joint working teams were working on a continuous basis.

Cooperation with foreign partners under the International Space Station program

In 2018 there was work carried out to support integration of the ISS RS with the US Orbital Segment (USOS) and with the hardware developed by other participants in the ISS program, as

well as to support activities to shape international programs of deep space research and exploration including the cis-lunar space.

Along with traditional activities related to the joint management of the ISS program, in 2018 there was a significant increase of activities dealing with coordination of launches of the Russian spacecraft and the international partners spacecraft. A lot of attention was given to safety certification of the missions of new US manned spacecraft Dragon 2 and CST-100.

Exchange of hardware, software and documentation was carried out within the framework of the international cooperation on the ISS. Reviewed at the requests of State Corporation Roscosmos were proposals on the utilization of the ISS RS resources for intended purposes, including cooperation in conducting space experiments and research programs.

International cooperation in deep space exploration

One of the areas of international cooperation within the framework of the ISS program that became important in recent years is the work that RSC Energia specialists do as members of the delegation of State Corporation Roscosmos to the interagency working groups of the IECST (ISS Exploration Capabilities Study Team). Establishment of a man-tended platform in a circumlunar orbit is considered as the first step. The platform will make it possible to develop basic technologies needed to support crews staying in deep-space environments, and to effectively carry out missions to the lunar surface of unmanned and manned spacecraft, as well as to develop technologies and elements within the framework of preparations for manned missions to Mars.

RSC Energia specialists prepared and submitted to State Corporation Roscosmos their proposals on possible Russian contributions to the international program taking into account national interests and desirability of developing international cooperation in space for peaceful purposes.

Cooperation on advanced projects with companies from abroad

2018 saw continued cooperation with Lockheed Martin and Boeing with regard to possible further joint work on various advanced projects.

NASA

Throughout the year, work continued under the contract with NASA which calls for manufacturing and delivery of elements of the Russian toilet and cabin (ACY & K) of the USOS and related services for the ISS. Successfully completed and delivered to the customer are reports for nine milestones within the framework of orders that had been placed earlier.

In 2018, under the contract with NASA, RSC Energia received new orders for manufacturing and delivery to the US of consumables for ACY & K, for pre-flight testing and processing the replaceable equipment of the ISS USOS ACY & K to be delivered on US vehicles, as well as for work on the response in case of depressurization of the Functional Cargo Block (FGB). The work under this contract for a number of years has been making it possible to support efficient operation of the ISS USOS and the station as a whole, and to promptly respond to contingencies.

Closure of the deal with ZAO (closed joint-stock company) S7 Group

Work has been completed to close the deal with ZAO S7 Group to sell the assets of the Sea Launch system that had been under control of RSC Energia and its affiliated persons. Unprecedented in its complexity, from both financial and the legal standpoints, the agreement came into effect. The deal is closed. Liquidation of the company SL Aerospace SA (formerly Sea Launch SA) and other companies of that group has begun. There are also plans to discontinue the activities of and ultimately liquidate affiliated companies of RSC Energia that had been involved in the Sea Launch project.

International meetings, exhibitions, symposia

In 2018, RSC Energia held more than 100 meetings with delegations from abroad, which involved more than 850 participants from 150 organizations from 25 countries.

Arrangements were made that made it possible for the international partners under the ISS program (NASA, ESA, JAXA) to participate in four meeting of the Council of Chief Designers on the Crew Transportation Spacecraft Soyuz and to take part in the meetings of the State Commission at the launch site.

Joint work with international partners was carried out at the Baikonur launch site to prepare flight equipment packages, trips were organized for thirteen delegations totaling 97 persons (representatives of NASA, JAXA, ESA, Boeing, DLR, etc.)

In 2018 RSC Energia took part in the following international exhibitions (as part of the joint display of State Corporation Roscosmos) and conferences:

- International Military Technology Forum Army-2018, Kubinka, Russia, August 21-26, 2018;
- International aerospace exhibition AIRSHOW CHINA - 2018, Zhuhai, PRC, November 6 -11, 2018;
- International Astronautical Congress IAC 2018, Bremen, Germany, October 1-5, 2018;
- Workshop “Spaceflight: open space for international cooperation and development”, Moscow, Russia, November 19, 2018.

4. ENERGY CONSERVATION AND ENERGY EFFICIENCY. INCREASE IN PRODUCTION ECOLOGICAL SAFETY

4.1. Measures to enhance energy efficiency

Energy efficiency at RSC Energia is one of the priorities. It results from a continual increase in the cost of electric energy and other mineral resources used as sources of power. Energy saving measures which are currently being undertaken in the Company will make it possible to reduce energy resources costs having thereby a favorable effect on the enterprise operation engineering and economic figures. Energy saving results in increased profitability at the expense of reduced product cost.

Energy saving activities are focused on the following:

- modernization of equipment;
- application of energy saving processes;
- decrease in electric energy losses;
- control of equipment modes of operation;

RSC Energia prepared energy passport of the enterprise which listed energy saving measures till 2022.
During 2018 work was performed to implement energy-saving measures.

Name of measure	Measure objectives	Volume of costs in 2018, mln rubles	Effect of measure implementation, expected effect
Redesign of reducing-cooling units (RCU) to serve the needs of central hot water installation	Due to re-equipment of heat and power plant from 2011 through 2017 and mounting of equipment with higher parameters (steam line to RCU with t=3800 C and P=24 atm), it is necessary to change RCU whose parameters are significantly lower (P=22 atm, t=3200 C). Besides, carrying capacity is increased from 25 t/h to 30 t/h.	8,6	Exclude the need for additional investments to adjust (replace, redesign) the existing steam using equipment of TsUGV (steam-water heaters PSV 200-7-15 No1-5, shut-off and shut-off and actuator equipment) in accordance with parameters of steam boiler room operation t=3800 and P=24 atm.
Upgrading automatic systems of safety and control of hot-water boiler PTVM-50 No9.	Introduction of monitoring and remote control system for boiler PTVM-50 No9 with support of upper-level control from workstation (WS). Making arrangements for making hot-water boiler PTVM-50 No9 a part of heat and power plant automated control system of manufacturing processes (ACS MP)	2,5	• Upon completion of upgrading automatic systems of safety and control of hot-water boiler PTVM-50 No7,8,10 and PTVM-100 No11, one working place of boiler operator will be made redundant. • Increase in reliability and efficient use of equipment complex including hot-water boiler PTVM-50 No9 in real time.
Change of drainage system and filter medium (sulfonated coal) for ion-exchange resin of sodium cationite filter No3 for KnVP.	• Reduced unit discharge of salt in preparation of chemically purified water; • reduced number of regenerations; • reduced water consumption for regeneration cycle (own needs) • increased service life of cationite; • possible increase in water temperature at filter inlet up to 700°C.	3,8 (phase 1)	• Reduced use of salt for filter regeneration by13,9%; • reduced water consumption (by 1 filter) for loosening and cleaning by 80%; • half as many number of regenerations; • increased service life of cationite. Saving will be 553,4 thousand rubles/year.

Arrangement of accounting system of thermal power and coolant at RSC Energia's installations at the following address: 4a Pionerskaya Street, Korolev, Moscow Region.	• Accounting of thermal power and coolant use in accordance with the requirements of Federal Law No190 FZ "On heat supply" and RF Government, Decree No1034 of 18.11.13 "On commercial accounting of thermal power and coolant"; • Making arrangements for enhanced energy efficiency of manufacturing as per Federal Law No261-FZ "On energy saving and enhanced energy efficiency and introducing amendments to some legislative acts of the Russian Federation.	0,41 (completion of the 2nd phase)	(1st and 2nd phase): • commercial accounting of thermal power and coolant; • payment of energy resources in accordance with volume of their consumption; • exclusion of excess payment for resources consumption up to 13 mln rubles/year in the event that calculation method of water consumption is applied with respect to using organization.
Overhaul of gas equipment and automatic system of safety and control of hot-water boiler PTVM-100 No13 at heat and power plant.	• Exclude incorrect sequence of boiler lighting up by using programmable controller; • provide boiler lighting up, load control during operation in an automatic mode from remote workstation (WS).	11,86 1st phase	• Improves personnel working conditions due to convenient system interface; record keeping of emergency messages archive and automated performance of responsible operations of boiler preparation for lighting up and burners lighting; • reduction of attending personnel (after full automation of all boilers at heat and power plant (1st-2nd phase).
Development of on-line control system NEVA.	Development of on-line control system (OCS) based upon NEVA complex which will provide operational and operating-maintenance personnel with reliable and timely information about electric equipment operation as part of networks and hardware.	8,443	NEVA system enables: to promptly make changes to power supply system of the Company which makes it possible to improve: • safety when servicing electrical installations during repairs and switchings; • to enhance power supply reliability; • to reduce power consumption.
Replacement of street lighting lanterns for LED light ones.	Complete full replacement of street lighting lanterns within premises I and II.	2,648	Installation of lighting system using LED light lanterns involved the following: • reduced electric power consumption; • no longer was need for purchasing lanterns and payment of their reclamation; • increased illumination.
Replacement of lighting fixtures for LED light ones.	Upgrading of interior lighting.	1,138	Installation of lighting system with LED lamps involved the following: • reduced consumption of electric power; • no longer was need for purchasing lamps and payment of their reclamation; • increased illumination.
Replacement of 6 transformers.	Replacement of obsolete transformers (with average service life of 50 years).	3,298	Transformers replacement reduced idle running losses which had a positive effect on

			electric power consumption (its reduction), as well as this measure made it possible: • to increase reliable power supply to the Company departments; • reduce obsolete equipment repair costs; • increase power to connect extra process equipment.
Replacement of arc-suppression coils (ASC) and house transformer (HT) for PS-8.	Replacement of ineffective and obsolete equipment at the main substation of the Company.	3,357	• Reduced costs of obsolete equipment repairs; • safety of electric installations maintenance whose voltage is above 1000 V during repairs and switchings; • increased power supply reliability.
Transposition of cable line between TS301 and TS-302.	Each substation is connected to main substation PS – 257. These RTS supply electric power to all substations on premises 3 and 4 designed for power supply: both departments of the Company and residential area at the following address: 30 Pionerskaya Street. Electrical connection designed for 6,0 kW used to exist between the substations, but the installed cable failed to provide electric power value required for modern transmission. The resultant numerous mechanical injuries and electric damages leave no chance for the cable recovery.	3,111	Transposition of this cable line involved the following changes: • reduced costs of detection and removal of fault in this cable line; • increased reliability of electric power supply to the Company departments; • reduced electric energy losses; • increased carrying capacity of electric cable.

4.2. Information about the volume of different types of fuel-and-power resources used by the Company in 2018 (in physical and money terms) as compared with the past year

Name	2017		2018	
	Volume	Cost, rubles (with VAT 18%)	Volume	Cost, rubles (with VAT 18%)
Nuclear power	0	0	0	0
Electrical power	13 479 100 kW*hour	57 490 544,04	11215672 kW*hour	51 215 686,54
Heat power	59 287 Gcal	86 602 846,85	62 686 Gcal	84 661 860,67
Electromagnetic energy	0	0	0	0
Oil	0	0	0	0
Steam	632 Gcal	1 018 409,86	249 Gcal	433 651,88
Low-pressure air	162 000 m3	522 155,45	162 000 m3	522 155,45
High-pressure air	20 000 m3	651 708,10	20 000 m3	651 708,10
Cold water	630 260 m3	12 563 467,79	543 920 m3	11 326 800,53
Liquid effluents	1 036 963 m3	25 334 099,70	873 487 m3	22 390 372,29
Motor petrol	315 t	10 393 659,1	280 t	10 476 043,2
Diesel fuel	121 t	3 769 069,02	128 t	4 741 919,79
Furnace fuel oil	0	0	0	0
Natural gas	0	0	0	0
Coal	0	0	0	0
Oil shale	0	0	0	0
Peat	0	0	0	0

4.3. Ecological efficiency

Calculation of ecological efficiency

Type of pollution		Volume, tons		Ecological efficiency as compared with data for 2017, %
		2017	2018	
Disposal of waste water	storm run-off	60,510	57,160	5,53
	fecal run-off	399,527	364,137	8,85
Pollutants emission into the atmosphere		664,810	418,777	37,00
Production and consumption waste		835,430	632,572	24,28
Total		1960,28	1472,65	24,87

5. SOCIAL RESPONSIBILITY. PERSONNEL DEVELOPMENT AND SOCIAL POLICY

5.1. Personnel policy

Professional, highly qualified and motivated staff is one of the chief assets of the Company and the key to its future success. Raising the productivity of labour and improvement of work quality are the main priorities of the Company personnel policy.

Concepts of the Company personnel policy:

- Adherence to the traditions established by Designer General, academician S.P. Korolev: to be pioneers in space exploration, go ahead despite all hardships and temporary setbacks.
- High professionalism and responsibility of the employees for their performance ensuring efficient production of advanced rocket-space technology and competitiveness on the market of space services.
- Unity and cohesion of the collective for carrying out tasks set; coordination of the Company and employees objectives.
- Increased personal motivation of each employee for achieving high production results; affording an opportunity for the maximum development of human resources potential as the most important competitive edge of the Company.
- Ensuring social protection of the employees and their family members, as well as promotion of job satisfaction in the Company and feeling of pride for belonging to the Company.

The main objectives of the personnel policy:

- Attraction of gifted and promising young employees to the Company;
- Training of personnel in the state-of-the-art technologies of rocketry development; maintaining continuity of work on rocket-space technology development;
- Labour motivation of personnel to meet the Company objectives and raise labour productivity.
- Optimizing ratio between key production personnel and administrative personnel;
- Rotation of managerial personnel, appointment of young managers from personnel reserve; ensuring career development and promotion in the Company due to a high level of professionalism; achievement of steadily high work performance; commitment to the corporate values.
- Achievement of a steady status of socially responsible employer by the Company which offers a competitive benefits package both in the region and in the industry and ensures social protection of the employees and their family members.

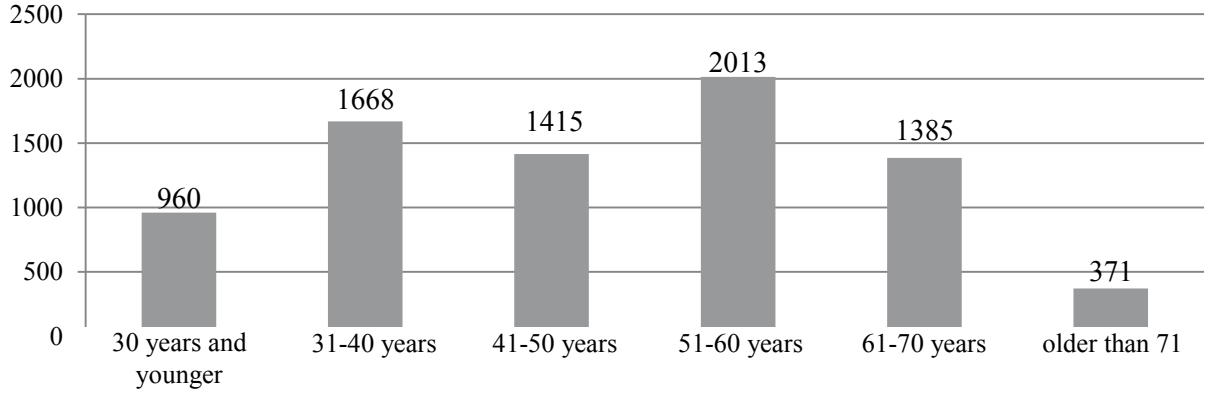
The main factor specifying the number of regular staff is volume of work to be performed by the Company.

In 2018, average headcount of staff on the payroll at RSC Energia was 7 517 persons, while in 2017 this figure was 7 791. In 2018 regular staff number at RSC Energia was 7 653 persons, while in 2017 this figure was 7 823.

In the accounting year RSC Energia employed 701 people, and made redundant 871 persons.

In 2018 the number of young employees up to 30 years amounted to 960 persons. In so doing, the age group between 51 - 60 years old was dominant (2 013 persons); also the age group with the employees older than 61 was large enough (1 756 persons). In other age groups the Company staff number was about the same: 1 668 persons in the 31- 40 age group and 1 415 persons in the 41-50 age group.

Company personnel structure by age, persons



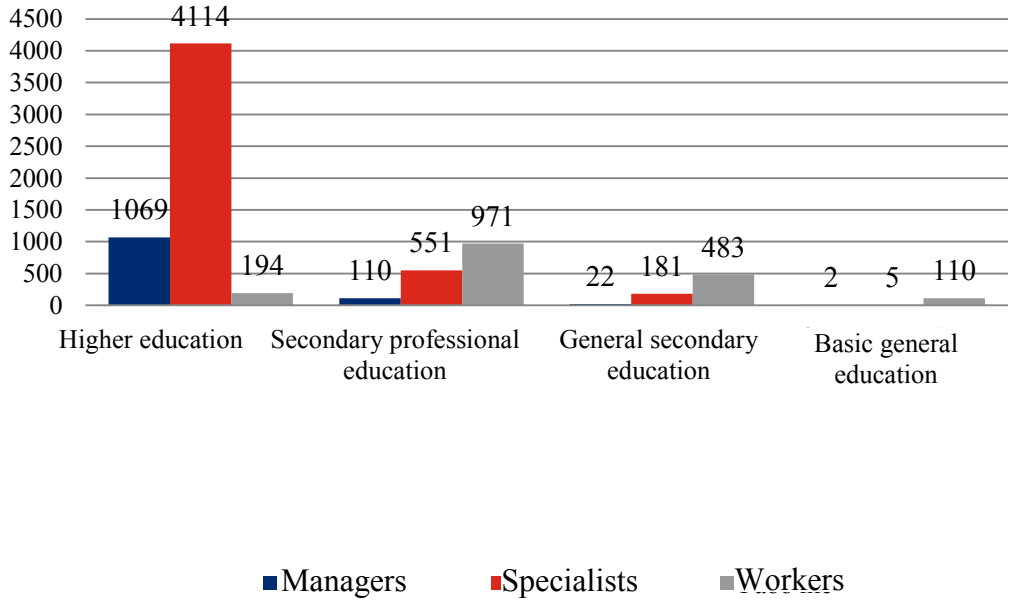
In the last few years the middle age of the Company employees has not changed much and remains almost the same: 48 years in 2018; 47,8 years in 2017; 47,8 years in 2016.

In order to attract gifted and promising workers, the Company cooperates on a regular basis with higher educational establishments and secondary professional schools:

- 450 students are currently taught at basic faculties of the Company in leading Moscow higher technical schools: N.E. Bauman MSTU; MFTI, HES MIEM.
- 743 students are taught in 18 leading higher technical institutes who were specially assigned by the Company and acquiring specialties currently in demand; in 2018 99 school-leavers entered these institutes.
- Company together with N.E. Bauman MSTU; MFTI and BSTU “VOYENMEKh” participates in implementing the Program entitled “New DIC Personnel” focused on improvement of content and methods for target training of the students in the interests of industrial complex organizations. In 2018, 71 students sent by the Company took part in the Program.
- Underway is network master’s degree program with Tomsk Polytechnic University;
- Company organizes all kinds of practical work, including designing for degree thesis for 1635 students majoring in 50 specialties/professions from 20 educational organizations.
- For a faster adaptation and assuming office full-time students were employed and got a part-time job. In 2018, 81 students got jobs in the Company.

In order to compensate for loss of the key competencies the Company practices the tutorship system aimed to transfer professional know-how to young employees.

Company personnel structure by education, persons



In order to raise labour productivity, optimize staff number, efficiently motivate personnel in the Company, work performance assessment is made, as well as level of workers professional, managerial and corporate competencies is evaluated. Also employees are certified for their adequacy for the jobs they are performing.

In 2018, 737 employers were attested, including 99 young specialists. Annual performance assessment of 5 755 employees was made. In order to determine workers potential, make arrangements for new employees adaptation, building teams, 373 employees were assessed otherwise. The certification and assessment results confirmed a high professional level of the Company employees.

Personnel reserve was created in the Company in order to provide staff continuity, introduce advanced personnel management mechanisms.

With the aim to implement the Company Work Program, ensure operation safety, products quality and reliability; raise labour productivity, master advanced and high technologies and new lines of activity, 2 498 employees were trained in the Company, by the following lines of activity:

- scientific manpower training: 47 employees;
- personnel reserve training programs: 67 employees;
- up-to-date information technologies; 179 employees;
- quality management system: 488 employees;
- innovative development programs: 123 employees;
- labor safety: 139 employees;
- taking part in corporate electronic flow of documents: 46 employees;
- upgrading skill category: 24 employees;
- acquiring the right to perform and supervise critical operations: 152 employees;
- adaptation course for young specialists: 79 employees.

As part of the system of continued personnel training “School-higher educational establishment-enterprise” the following career guidance projects are being implemented in order to bring in gifted youth: “Aerospace Class”; XXVI International Space Contest of school children; 5 school teams of RSC Energia taking part in “Air-Engineers School (CanSat)”; project session at educational center Sirius; “Space lessons”, tours to RSC Energia museum and the Center for

personnel training and technologies development at ZAO ZEM. Also the Company employees participate in Federal branch events focused on promotion of engineers and workers professions for rocket-space industry. Overall, in 2018 more than 3000 school children took part in the career guidance projects initiated in the Company.

With the aim to upgrade employees qualifications, the program of remote training in the form of Webinars was implemented.

5.2. Personnel motivation

The Company successfully uses up-to-date wage system which establishes dependence of remuneration on employees performance assessment results and is based on the concepts of external competitiveness and internal justice of remuneration, as well as a simplified process of its administration.

The Company wage system is based upon salary and bonus payment. Official salary (tariff rate) is fixed for each employee on the basis of 20-wage category tariff scale. Payment for work is effected based upon employment agreements, taking into account special conditions and character of work, in accordance with the Regulations on payment for work and material incentives of RSC Energia employees approved by the Company management board.

Indexation of wages of the Company employees is carried out in accordance with the approved regulatory documents of the Russian Federation, the Branch tripartite agreement for the Russian Federation rocket-space industry organizations, as well as the Collective Agreement.

Average salary of the Company employees for 2018 without fringe benefits (material aid added to holiday pay, incentives by Code of Work Achievements) amounted to 63 548 rubles. Average salary with due regard for fringe benefits in accordance with statistical reporting form P-4 “Information about employees number and salary” was 64 499 rubles. Level of average salary increased by 5,1% with respect to salary level in 2017. Average salary in core business departments amounted to 68 089 rubles. Minimum salary level in the Company departments was 15 420 rubles.

Key Performance Indicators system is introduced in the Company to promote long-term and sustainable development of the Company core business. KPI system is aimed to represent the Company strategy and long-term development program as specific measures of operational management, assessment of a current state of their achievement and provision of a basis for making long-term and medium-term management decisions. KPI system extends to top management and 3rd level managers.

In order to raise labor productivity and enhance quality of output, the Company introduced bonus plan by the results of work, schedules performance and quality of work performance under the projects throughout the accounting period.

System of social partnership exists to regulate social-labour relations. The Company did a lot of work in 2018 on introducing amendments and supplements to the effective version of the main document reflecting the interests of the Company Administration and its employees, the Collective Agreement for 2018-2020. Benefits package for the Company employees for 2018-2020 is an integral part of the Collective Agreement which indicates size and periods of granting social security guarantees and compensations. Social security of the employees is provided at the cost of the Company funds.

Encouragement for professional achievements of the Company specialists and workers is one of the most important morale and material incentives. During the year the Company employees were recommended in accordance with the established procedure for government rewards, awards from Cosmonautics Federation of Russia, Moscow Region Governor and Moscow Region Government, administration of Korolev city.

Also the Company employees are given honorary titles by the Code of Work Achievements with payment of incentive bonus for professional work performance. In 2018, 1258 employees of the Company were awarded. Total amount of bonuses was 18,5 million rubles.

5.3. Social policy

Social policy of RSC Energia is concentrated on involvement and keeping of qualified personnel, motivating employees to increase their labor efficiency and quality of work, as well as ensuring their social protection.

Company is one of the city-forming businesses of Korolev city, Moscow Region, and takes part on a continuous basis in implementing comprehensive municipal social-economic programs.

RSC Energia social policy directions:

- private pension plan;
- voluntary medical insurance;
- housing program;
- Company employees holidays and health improvement, including their family members;
- pre-school education institution;
- youth policy;
- sports program;
- charitable activities;
- patriotic education of citizens within the Company's powers;
- giving social aid to the Company employees.

Social policy directions are implemented via the Collective Agreement. As part of the social partnership, the Company hosts annual conferences attended by the employer's, work collective and trade-union committee representatives where progress in the Collective Agreement implementation for the accounting period is discussed, as well as changes approved in the accounting period are brought to the employees notice.

In 2018 under the contracts for voluntary medical insurance (further referred to as the VMI) free medical service was provided to the Company employees, including ambulatory-outpatients' clinic service on the basis of FGBUZ Medical Center (MSCh) No 170 at FMBA of Russia, medical-preventive treatment organizations (MPO) of Baikonur, Kislovodsk, Tuapse, Samara, Moscow, as well as other medical aid services were provided in the leading clinics of Moscow such as consultative-diagnostic, dental, hospital services, including high-technology and rehabilitation-recovery treatment. Medical examinations of the enterprise employees are performed on a regular basis, especially for those whose work proceeds under severe and harmful conditions.

In order to ensure social protection to the Company employees, the enterprise uses private pension scheme (further referred to as the PPS) which comprises the following programs: "Veteran", "Parity", "Key Employee", "Manager". The basic principle of the Parity, Key Employee, Manager programs envisages shared participation of the employees (on a voluntary basis) and the Company in generation of employee's reserves for payment of future pension.

In order to provide vacations and health improvement of the employees, their family members, Company veterans, vouchers are provided to RSC Energia's health resorts with a partial compensation for voucher's cost. In summer time the Company health resorts welcomed children of the Company employees. During the year 651 children spent their holidays in children's health camps. During school year, spring and autumn vacations, for RSC Energia employees children additional arrivals devoted to different subjects were arranged in children's health camp Voskhod. During winter vacations children's camp "Orlyonok" was arranged on the basis of after-work sanatorium "Podlipky"

Corporate kindergarten for 290 children located in different city districts is available for the Company employees' children.

RSC Energia's housing program envisages multiple-choice system to provide housing for the Company employees who need housing space: provision of temporary living space by the Company; provision of the Company's hotel accommodation for those who come from other cities and shared participation in personal residential construction at preference prices.

During implementation of housing program in RSC Energia's residential area, seven multistory dwelling houses with social infrastructure objects were built and put into commission (including two kindergartens). More than two and a half thousand families have already bought comfortable dwelling houses at preference prices.

In its internal and external relations, RSC Energia tends to develop its image as a socially responsible employer and maintain a high level of employees' loyalty.

6. CORPORATE GOVERNANCE

6.1. Corporate governance concepts and structure

Corporate governance system at RSC Energia is a total combination of the processes ensuring overall management and control of the Company operation. These processes cover relations among shareholders, the Board of Directors and executive bodies and center on harmonizing interests of all participants in corporate relations which involve not only shareholders and managerial bodies, but also potential investors and a wide circle of other interested parties such as customers of services, the Company employees, contracting parties, creditors, partners, government and local communities.

RSC Energia considers corporate governance as a means to enhance efficiency in its operation, maintain its image, increase its investment attractiveness.

In accordance with State Corporation ROSCOSMOS-developed policy of concerted actions with the companies under the authority of State Corporation ROSCOSMOS, the State Corporation and RSC Energia signed the Regulations on cooperation between the State Space Corporation ROSCOSMOS and RSC Energia devoted to implementation of the unity within the State Corporation organizations management system and their development.

In order to streamline and ensure continuity of corporate governance practice in the Company, the Board of Directors resolved to approve Code of Corporate Conduct (Minutes No 11 dated 29.04.2013) developed. This code is in compliance with current legislation requirements and advanced corporate governance standards, including Russian Code of Corporate Governance recommended by the Bank of Russia.

Appendix 4 to the Annual Report gives a detailed information about the Company adherence to the provisions of the Code of Corporate Governance recommended by the Bank of Russia (Letter from the Bank of Russia N 06-52/2463 "On the Code of Corporate Governance" of 10.04.2014).

RSC Energia is a public joint-stock company that carries out all compulsory statutory requirements for information disclosure on the securities market. Relevant information is available to all interested persons on the Internet (official site of the Company: www.energia.ru) and on the Company page in the Center for Corporate Information Disclosure: http://www.e-disclosure.ru/portal/company.aspx?id=1615).

The RF CB Letter No28-3-1/862 dated 25.02.2019 analyzing information about compliance with CCC concepts submitted by the Public Corporations gives favorable estimate of the use by RSC Energia of the RF CB recommendations for CCC Report preparation.

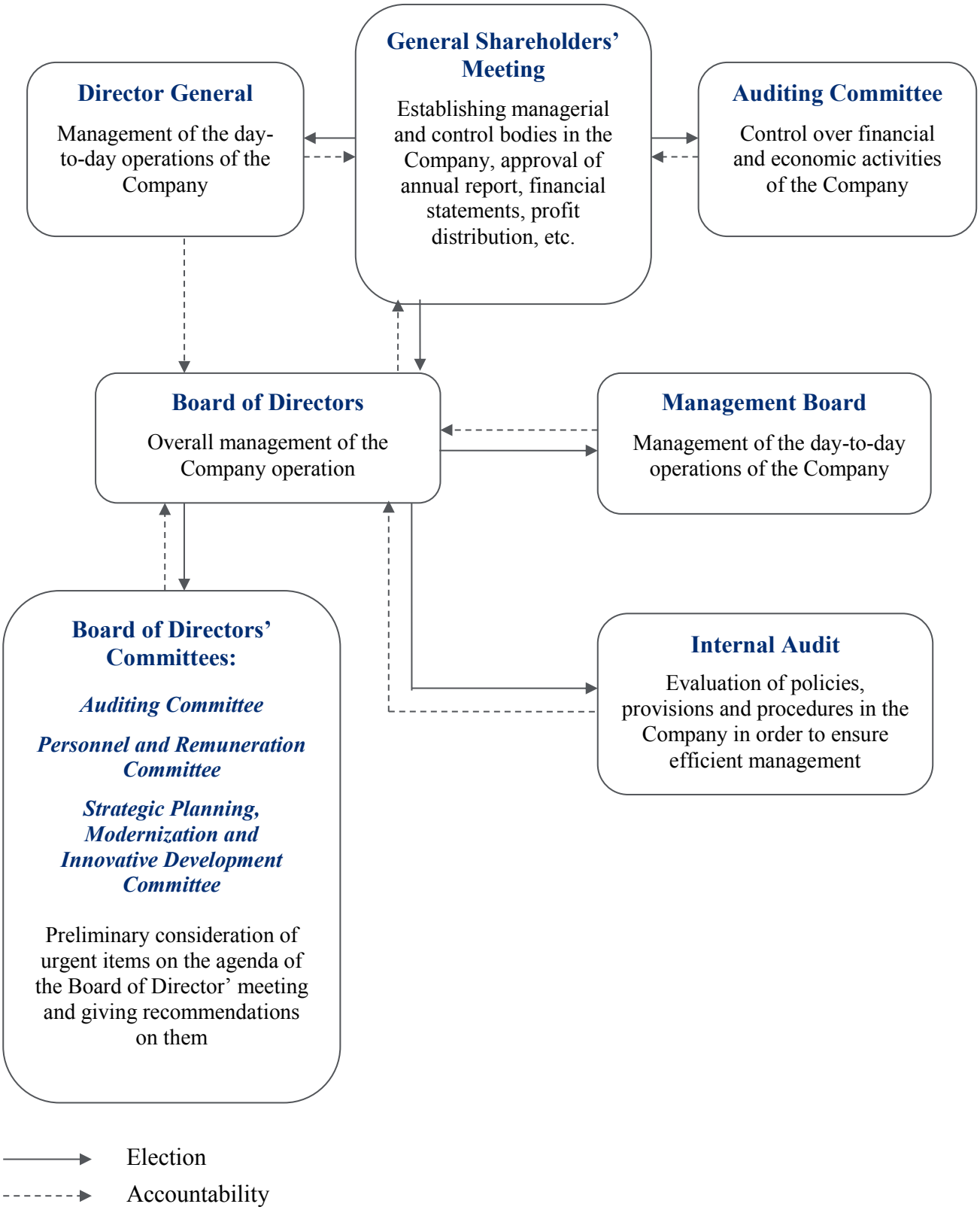
RSC Energia's shareholders can get full and trustworthy information about the Company at the place of its executive body location: 4A Lenin Street, Korolev, Moscow Region.

The Board of Directors approved the Regulation on delivery of information at RSC Energia's shareholders' request (Minutes No 1 of 07.08.2017)

The Company shareholders are provided with reliable and efficient methods to keep records of their right of ownership to shares. The above activity is conducted by a professional participant of securities market – registrar of securities. Shareholders are entitled to take part in RSC Energia management by way of taking decisions on the Company operation issues at General Shareholders' Meeting.

Detailed information about the registrar keeping records of the rights of ownership to RSC Energia securities is given in the Annual Report, Section 9 item 9.2.

CORPORATE GOVERNANCE AT RSC ENERGIA



RSC Energia Board of Directors' statement to the effect that the corporate governance concepts set out in the Code of Corporate Governance are adhered to.

RSC Energia understands the importance of the corporate governance concepts set out in the Code of Corporate Governance for doing business successfully in the long-term perspective and ensuring appropriate level of accountability to its shareholders.

RSC Energia ensures an equal and fair attitude to all its shareholders in exercising their rights to take part in management of the Company. The corporate governance system and practice provide equal opportunities for all shareholders, namely, holders of shares within one class (type), including minority (small) shareholders and foreign shareholders, and equal attitude of the Company to them, which is made possible due to the following:

- reliable and efficient record keeping system for ownership rights to shares maintained by independent registrar;
- free disposal and alienation of the shares they own;
- early notification of the shareholders about holding general shareholders' meetings, as well as making information (materials) concerning forthcoming meetings available to all shareholders, including its placement on the Company Internet site;
- free access to personal attendance or through his (her) representatives of general shareholders' meeting, with a voting right on agenda items in compliance with legislation and the Corporate Bylaws;
- regular and timely receipt of information about the Company operation and familiarization with the Company documents in the manner prescribed by legislation, the Articles of Association and the Company in-house documents;
- a possibility to keep managerial bodies actions under control;
- a possibility to exercise other rights stipulated by legislation, the Articles of Association of the Company and resolutions adopted at general shareholders' meeting within the limits of its competence.

The Company seeks to make its activities transparent for its shareholders, investors and other interested persons. Company satisfies statutory requirements for information disclosure by public companies. The Company set up and maintains its own Internet site, including its English version. The site presents contact information (telephone, fax, E-mail address) which can be used by interested persons for requesting information they need and discussing topical issues.

Shareholders are given an equal and fair opportunity for profit-sharing through receiving dividends.

Board of Directors defines major strategic guidelines for the Company operation in terms of its long-term development, key indicators of its activity; conducts strategic management; supervises executive bodies operation, as well as performs other key functions.

Decisions on critical issues of the Company operation are taken at the Board of Directors' meeting, by a two-thirds majority or majority of the elected Board of Directors' members as a whole.

The issues submitted for the Board of Directors consideration are open to across-the-board discussion at the meetings. The Company Articles of Association with due regard for its core business establish additional list of transactions, consideration of which is within the limits of the Board of Directors competence.

The Board of Directors set up and organized the committees for preliminary consideration of critically important issues arising during the Company operation.

The Company developed the system of risk management and internal control aimed to ensure reasonable confidence in meeting the objectives set to the Company.

Company set up internal audit subdivision functionally subordinate to the Board of Directors. Department operation is governed by the Regulation on Internal Audit Department approved redrafted by the Board of Directors resolution (Minutes No 11 of 30.01.2017).

In an effort to undertake effective measures to prevent and settle conflict of interests, as well as in order to provide common corporate standards in the Company; Policy to Combat Corruption is adopted, as well as other follow-up documents (including the Code of Ethics and Official Behavior for RSC Energia Employees; Provision on Conflict of Interests at RSC Energia; Provision on the Committee on Meeting the Requirements for Official Behavior of the Employees and Settling Conflict of Interests at RSC Energia; Provision on "Telephone Hot Line" on the Issues to Combat Corruption at RSC Energia). RSC Energia joined the Anticorrupt Practices Charter. During the accounting period measures aimed to counteract corporate fraud and combat corruption were put into effect. The Company site gives telephones for feedback to report corruption facts.

Company adheres to the opinion formed by the holding company, State Corporation ROSCOSMOS, that there is no need to engage independent directors by the companies operating in the field of Russian industrial complex.

Size of remuneration for the Board of Directors members is calculated based upon the Regulations approved by the general shareholders meeting which provides for payment of remuneration consisting of two parts, fixed and variable. Variable part depends upon financial performance of the Company for a respective year. Size of remuneration of the Board of Directors members is differentiated with respect to scope of responsibilities of a particular Director in the Company Board of Directors in order to take account of additional time required for performance of duties by Chairman of the Board of Directors, member of a particular Committee, Chairman of a Committee. No other forms of short-term motivation and additional material incentives are applied to the Board of Directors' members.

6.2. Information about the Company General Shareholders' Meeting held

During 2018 four general shareholders' meetings were held.

1. RSC Energia's extraordinary general shareholders' meetings was held as absentee voting (Minutes No32 dated 20.03.2018). Expiration date for receiving voting ballots on the Meeting Agenda: 19.03.2018.

Resolutions passed at the extraordinary General Shareholders' Meetings:

- Increase authorized capital of RSC Energia;
- Give consent to effecting interested-party transaction.

2. Annual General Shareholders' Meeting was held at RSC Energia on 30.06.2018 as the joint attendance of the shareholders (Minutes No 33 of 02.07.2018). Federal Law "Joint-Stock Companies" for the joint-stock companies with the number of shareholders more than 1000 (there are more than 7000 shareholders at RSC Energia) establishes the following form of holding general shareholders' meeting: joint attendance of shareholders to discuss the items put on the agenda and decide on the issues put to the vote, with a preliminary handing in of voting ballots in advance of the coming annual general shareholders' meeting.

Resolutions passed at the annual General Shareholders' Meeting:

- Approved were the Annual Report and annual bookkeeping reporting (Financial Statements) of the Company for 2017.
- Approved were the proposals made by RSC Energia Board of Directors to distribute RSC Energia's net profit by the 2017 performance.
- Approved was the Company auditor for 2018.

- Elected were the Company Board of Directors and Auditing Committee members.
- Approved were the supplements to the Company Articles of Association and amendments to some documents regulating the Company in-house activities.

3. Extraordinary General Shareholders' Meeting was held at RSC Energia on 21.08.2018 as the joint attendance of the shareholders to discuss the items put on the agenda and decide on the issues put to the vote, with a preliminary distribution (handing in) of voting ballots in advance of the coming annual general shareholders' meeting (Minutes No34 of 21.08.2018). New Board of Directors' membership was elected at RSC Energia meeting.

4. Extraordinary General Shareholders' Meeting was held as absentee voting (Minutes No35 of 13.09.2018) at RSC Energia. Final date for receiving voting ballots on the Agenda items of the Meeting was 12.09.2019. The Meeting considered the issue of electing Chief Executive Officer (Director General) of S.P. Korolev Rocket and Space Public Corporation Energia.

   Appendix 3 to the Annual Report gives particulars about all the resolutions passed at the General Shareholders' Meetings

6.3. Information about the Company Board of Directors

Board of Directors conducts overall management of the Company operation in the interests of the Company and its shareholders, in accordance with competence laid down in the Russian Federation legislation and RSC Energia's Articles of Association.

Members of the Board of Directors are elected at General Shareholders' Meeting via cumulative voting of 11 persons for a period till next Annual General Shareholders' Meeting.

Board of Directors' meetings

In 2018 the Company Board of Directors held 32 meetings, including:

- 19 meetings of the Board of Directors elected on 24.06.2017;
- 6 meetings of the Board of Directors elected on 30.06.2018;
- 7 meetings of the Board of Directors elected on 21.08.2018.

At its meetings, the Board of Directors considered the matters related to the following aspects of the Company operation:

- Drawing up a budget and programs of the Company activities, defining KPI list and their target figures.
- Implementation of the Innovative Development Program.
- Assessment of RSC Energia financial and business results, as well as its SAC financial and business results.
- Monitoring of Quality Management system operation.
- Conduct of procurement activity.
- Review of the issues concerning placement of additional uncertified registered common stock of RSC Energia.
- Organizing and holding of general shareholders' meetings.
- Review of the strategically important projects.
- Consideration of interested-party transactions

  Appendix 3 to the Annual Report gives particulars about the resolutions passed at the 2018 Board of Directors' meetings.

6.3.1. Board of Directors' Regulations

RSC Energia approved the Board of Directors' Regulations at the Annual General Shareholders' Meeting held on 25.06.2016 (Minutes N 30 of 25.06.2016) which specified the Board of Directors' work procedure.

6.3.2. Company Board of Directors membership during the accounting year

RSC Energia's Board of Directors membership from 21.08.2018 up to now*

1. Lusine Borisovna Arutyunova	Director of Department in charge of contract work, State Space Corporation ROSCOSMOS
2. Nikita Vladimirovich Kazinsky	Adviser to Director General, FSUE TsNIImash
3. Sergei Konstantinovich Krikalev	Executive Director in charge of manned space programs, State Space Corporation ROSCOSMOS
4. Svetlana Vyacheslavovna Kukina	Executive Director in charge of corporate activity and assets management, State Space Corporation ROSCOSMOS
5. Vladimir Vladimirovich Meshkov	Director of Department in charge of capital construction management, State Space Corporation ROSCOSMOS
6. Konstantin Vladimirovich Romanov	Chief Specialist of Economic Security Department division, State Space Corporation ROSCOSMOS
7. Sergei Yurievich Romanov	Director General, RSC Energia
8. Sergei Valentinovich Saveliev	Deputy Director General in charge of international cooperation, State Space Corporation ROSCOSMOS
9. Nikolai Nikolayevich Sevastiyanov	Acting Director General, FSUE TsNIImash, the Company Board of Directors Chairman
10.Oleg Petrovich Frolov	Executive Director in charge of defense programs implementation, State Space Corporation ROSCOSMOS
11.Mikhail Nikolayevich Khailov	Deputy Director General in charge of unmanned space complexes and systems, State Space Corporation ROSCOSMOS

* Board of Directors' members official positions are given as of 31.12.2018

RSC Energia's Board of Directors membership from 30.06.2018 through 21.08.2018*

1. Alla Aleksandrovna Vuchkovich	Executive Director in charge of personnel and social policy, State Space Corporation ROSCOSMOS
2. Tatiana Leonidovna Yelfimova	First Deputy Director General, State Space Corporation ROSCOSMOS
3. Anton Sergeevich Zhiganov	Executive Director in charge of business development and commercialization, State Space Corporation ROSCOSMOS
4. Igor Anatolievich Komarov	Director General, State Space Corporation ROSCOSMOS (till 05.2018)
5. Yekaterina Dmitrievna Karutina (Tormozova)	Executive Director in charge of contract activities, State Space Corporation ROSCOSMOS
6. Sergei Konstantinovich Krikalev	Executive Director in charge of manned space programs, State Space Corporation ROSCOSMOS
7. Svetlana Vyacheslavovna Kukina	Executive Director in charge of corporate activity and assets management, State Space Corporation ROSCOSMOS
8. Vladimir Vladimirovich Meshkov	Director of Department in charge of capital construction management, State Space Corporation ROSCOSMOS
9. Konstantin Vladimirovich Romanov	Chief Specialist of Economic Security Department division, State Space Corporation ROSCOSMOS
10. Sergei Valentinovich Saveliev	Deputy Director General in charge of international cooperation, State Space Corporation ROSCOSMOS
11. Vladimir Lvovich Solntsev	Director General, RSC Energia (till 08.2018)

* Board of Directors' members official positions are given as of 30.06.2018

RSC Energia's Board of Directors membership from 24.06.2017 through 30.06.2018*

1. Yury Veniaminovich Vlasov	Director General, OAO URSC
2. Anatoly Anatolievich Gavrilenko	Director General, ZAO Lider (Pension Fund Assets Management Company)
3. Tatiana Leonidovna Yelfimova	First Deputy Director General, State Space Corporation ROSCOSMOS

4.	Alexandr Nikolaevich Ivanov	First Deputy Director General, State Space Corporation ROSCOSMOS
5.	Igor Anatolievich Komarov	Director General, State Space Corporation ROSCOSMOS (till 05.2018)
6.	Sergei Konstantinovich Krikalev	Executive Director in charge of manned space programs, State Space Corporation ROSCOSMOS
7.	Sergei Alexandrovich Nikitin	Deputy Director General, ZAO Lider (Pension Fund Assets Management Company)
8.	Alexey Viktorovich Nuzhdov	Deputy Director General in charge of investments and coordination with government bodies, ZAO Lider (Pension Fund Assets Management Company)
9.	Sergei Valentinovich Saveliev	Deputy Director General in charge of international cooperation, State Space Corporation ROSCOSMOS
10.	Vladimir Lvovich Solntsev	Director General, RSC Energia
11.	Yekaterina Dmitrievna Karutina (Tormozova)	Executive Director in charge of contract activities, State Space Corporation ROSCOSMOS

* Board of Directors' members official positions are given as of 30.06.2018

6.3.3. Background information about the persons who were the members of RSC Energia Board of Directors in 2018

Lusine Borisovna Arutyunova

Date of birth: 1968
Education: higher
All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		*Name of organization*	*Job title*
From	*till*		
04.2013	06.2017	Federal State Unitary Enterprise Agat	Adviser to the Director on legal issues; Deputy Director, Head of Legal Department; Deputy Director in charge of legal execution
06.2017	10.2017	State Space Corporation ROSCOSMOS	Deputy Director, Contract work Department
10.2017	up to now	State Space Corporation ROSCOSMOS	Director of Department in charge of contract work

No participating interest in the Company Charter capital / no common shares in possession

Yury Veniaminovich Vlasov (till 06.2018)

Date of birth: 1959
Education: higher professional education, Candidate of Technical Sciences
All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		*Name of organization*	*Job title*
From	*till*		
2013	2014	FSUE NPO after S.A. Lavochkin	First Deputy Director General
2014	2015	Open Joint-Stock Company United Rocket-Space Corporation	Deputy Director General for Projects and Programs
2015	08.2015	Open Joint-Stock Company United Rocket-Space Corporation	Acting Director General
08.2015	*	Open Joint-Stock Company United Rocket-Space Corporation	Director General
11.2015	09.2017	State Space Corporation ROSCOSMOS	Deputy Director General (job combined with the main job)

No participating interest in the Company Charter capital / no common shares in possession
* Data is presented as of 30.06.2018

Alla Alexandrovna Vuchkovich (till 08.2018)

Date of birth: 1959
Education: higher, Candidate of Sciences
All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		*Name of organization*	*Job title*
From	*till*		
2007	2014	Open Joint-Stock Company United Aircraft Building Corporation	Director of Department, Vice-president for Personnel
2014	03.2016	Open Joint-Stock Company United Rocket-Space Corporation	Deputy Director in charge of personnel and social policy
03.2016	*	State Space Corporation ROSCOSMOS	Executive Director in charge of personnel and social policy

No participating interest in the Company Charter capital / no common shares in possession
* Data is presented as of 30.06.2018

Anatoly Anatolievich Gavrilenko (till 06.2018)

Date of birth: 1972
Education: higher
All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		*Name of organization*	*Job title*
From	*till*		
2004	*	Closed Company Lider (Pension Fund Assets Management Company)	Director General

No Participating interest in the Company Charter capital / no common shares in possession
* Data is presented as of 30.06.2018

Tatiana Leonidovna Yelfimova (till 08.2018)

Date of birth: 1959
Education: higher, Candidate of Technical Sciences
All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		*Name of organization*	*Job title*
From	*till*		
04.2008	11.2016	State Nuclear Power Corporation ROSATOM	Deputy Director General for financial-economic issues, state secretary; deputy Director General for ensuring government authority and budget process; State Secretary, deputy Director General for ensuring government authority and budget process
11.2016	*	State Space Corporation ROSCOSMOS	First deputy Director General

No Participating interest in the Company Charter capital / no common shares in possession
* Data is presented as of 30.06.2018

Anton Sergeevich Zhiganov (till 08.2018)

Date of birth: 1974
Education: higher
All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		*Name of organization*	*Job title*
From	*till*		
12.2012	10.2013	Closed Company “Madeliks”	Deputy Director General in charge of strategic planning and development
11.2013	01.2014	Branch of limited liability company “Madeliks Investment Limited”	Director in charge of development

04.2014	11.2015	Open Joint-Stock Company United Rocket-Space Corporation	Director of Planning and Efficiency Management
11.2015	04.2017	State Space Corporation ROSCOSMOS	Director of Business Systems Department
04.2017	*	State Space Corporation ROSCOSMOS	Executive Director in charge of business development and commercialization)

No participating interest in the Company Charter capital / no common shares in possession
* Data is presented as of 30.06.2018

Alexandr Nikolaevich Ivanov (till 06.2018)

Date of birth: 1961
Education: higher, Candidate of Military Sciences
All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		*Name of organization*	*Job title*
From	*till*		
2012	2013	Open Joint-Stock Company Information Satellite Systems after academician M.F. Reshetnev	Deputy Director General
04.2013	12.2013	Defense Ministry of the Russian Federation	Adviser to deputy Minister of Defense of the Russian Federation. Head of the Main Department for research and advanced technologies (innovative studies) follow-up
12.2013	02.2016	Federal Space Agency	Adviser to Director General, first deputy Director General, acting Director General
02.2016	*	State Space Corporation ROSCOSMOS	First Deputy Director General

No Participating interest in the Company Charter capital / no common shares in possession
* Data is presented as of 30.06.2018

Nikita Vladimirovich Kazinsky

Date of birth: 1980
Education: higher
All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		*Name of organization*	*Job title*
From	*till*		
11.2008	06.2018	Joint-Stock Company Gazprom Space Systems	Deputy Director of the Center-Head of Department in charge of Earth remote sensing target complexes; Head of Directors Office in charge of ERS space systems project management; Deputy General Designer for geoinformation objects development; first Deputy Head of Primary Design Bureau – the first deputy General Designer
06.2018	11.2018	State Space Corporation ROSCOSMOS	Executive Director in charge of communications
11.2018	02.2019	Federal State Unitary Enterprise Central Research Institute for Machinebuilding	Adviser to Director General
02.2019	up to now	S.P. Korolev Rocket and Space Public Corporation Energia	Adviser to Director General

No Participating interest in the Company Charter capital / no common shares in possession

Igor Anatolievich Komarov (till 08.2018)

Date of birth: 1964
Education: higher
All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		Name of organization	Job title
From	*till*		
2009	2013	Open Joint-Stock Company AVTOVAZ	Executive Vice-President for Strategy, Finance, Economics and Corporate Governance. Executive Vice-President, President
2013	2014	Federal Space Agency	Deputy Head
03.2014	01.2015	Open Joint-Stock Company United Rocket-Space Corporation	Director General
01.2015	08.2015	Federal Space Agency	Head of Federal Space Agency
08.2015	05.2018	State Space Corporation ROSCOSMOS	Director General

No Participating interest in the Company Charter capital / no common shares in possession

Sergei Konstantinovich Krikalev

Date of birth: 1958

Education: higher, Candidate of Psychological Science

All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		Name of organization	Job title
From	*till*		
04.2009	07.2014	Federal state-financed organization Yu.A. Gagarin Research-Test Center for Cosmonauts Training	Director of the Center
07.2014	01.2015	Federal state unitary enterprise Central Research Institute for Machinebuilding	Deputy Director General in charge of Manned Programs
01.2015	03.2016	Federal state unitary enterprise Central Research Institute for Machinebuilding	Deputy Director General in charge of Manned Programs
03.2016	up to now	State Space Corporation ROSCOSMOS	Executive Director in charge of Manned Space Programs

On 30.08.2018 he sold uncertified registered common stock of the issuer equal to 22.

No Participating interest in the Company Charter capital / no common shares in possession

Svetlana Vyacheslavovna Kukina

Date of birth: 1977

Education: higher professional

All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		Name of organization	Job title
From	*till*		
12.2012	01.2017	Federal State Unitary Enterprise "National Operator handling radioactive waste"	Deputy Director in charge of finance, economics and managerial control
02.2017	03.2017	State Space Corporation ROSCOSMOS	Executive Director in charge of corporate governance, property relations and development
03.2017	*	State Space Corporation ROSCOSMOS	Executive Director in charge of corporate activity and property management

No Participating interest in the Company Charter capital / no common shares in possession

* Data is presented as of 31.12.2018

Vladimir Vladimirovich Meshkov

Date of birth: 1982

Education: higher, Candidate of Economic Sciences

All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		Name of organization	Job title
From	*till*		
02.2016	02.2017	State Space Corporation ROSCOSMOS	Adviser to Director General
02.2017	*	State Space Corporation ROSCOSMOS	Director of Department in charge of capital construction management

No Participating interest in the Company Charter capital / no common shares in possession
* Data is presented as of 31.12.2018

Sergei Alexandrovich Nikitin (till 06.2018)

Date of birth: 1968
Education: higher
All positions taken by this person in the Company and other organizations over the last 5 years including sideline jobs:

Period		*Name of organization*	*Job title*
from	*till*		
09.2011	07.2012	Closed Joint-Stock Company Lider (Pension Fund Assets Management Company)	Adviser to Director General
07.2012	06.2013	Closed Joint-Stock Company Lider (Pension Fund Assets Management Company)	Deputy Director General, Head of Department for project activities management and supervision
06.2013	*	Closed Joint-Stock Company Lider (Pension Fund Assets Management Company)	Deputy Director General, Head of Corporate Governance Department

No Participating interest in the Company Charter capital / no common shares in possession
* Data is presented as of 30.06.2018

Alexey Viktorovich Nuzhdov (till 06.2018)

Date of birth: 1968
Education: higher
All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		*Name of organization*	*Job title*
From	*till*		
12.2008	*	ZAO Lider (Pension Fund Assets Management Company)	Deputy Director General
01.2009	09.2014	Private Pension fund Gazfond	Head of Corporate Security Office (job combined with the main job)

No Participating interest in the Company Charter capital / no common shares in possession
* Data is presented as of 30.06.2018

Konstantin Vladimirovich Romanov

Date of birth: 1986
Education: higher
All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		*Name of organization*	*Job title*
From	*till*		
02.2016	04.2017	State Space Corporation ROSCOSMOS	Leading Specialist of Economic Security Department division
04.2017	up to now	State Space Corporation ROSCOSMOS	Chief Specialist of Economic Security Department division

No Participating interest in the Company Charter capital / no common shares in possession

Sergei Yurievich Romanov

Date of birth: 1957
Education: higher professional, Doctor of Technical Sciences
All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		*Name of organization*	*Job title*
From	*till*		
07.2012	12.2014	S.P. Korolev Rocket and Space Public Corporation Energia	First Deputy Designer General, Head of Project Management Office

03.2014	10.2015	S.P. Korolev Rocket and Space Public Corporation Energia	Director General (job combined with the main job)
12.2014	12.2016	S.P. Korolev Rocket and Space Public Corporation Energia	Designer General of Manned Space Complexes
01.2017	08.2018	S.P. Korolev Rocket and Space Public Corporation Energia	First Deputy Designer General – Chief Designer of Manned Space Complexes
08.2018	09.2018	S.P. Korolev Rocket and Space Public Corporation Energia	Acting Director General
09.2018	01.2019	S.P. Korolev Rocket and Space Public Corporation Energia	Director General
01.2019	up to now	S.P. Korolev Rocket and Space Public Corporation Energia	First Deputy Director General – First Deputy Designer General

On 30.08.2018 he sold uncertified registered common stock of the issuer equal to 14.
Participating interest in the issuer Charter capital, %: 0.00009.
Person's share in the issuer common stock ownership, %: 0.00009.

Sergei Valentinovich Saveliev

Date of birth: 1965
Education: higher
All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		*Name of organization*	*Job title*
From	*till*		
12.2008	11.2015	Federal Space Agency	Deputy Head
11.2015	up to now		Deputy Director General for international cooperation

No Participating interest in the Company Charter capital / no common shares in possession

Nikolai Nikolayevich Sevastiyanov

Date of birth: 1961
Education: higher, Candidate of Technical Sciences
All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		*Name of organization*	*Job title*
From	*till*		
2008	05.2018	Joint-Stock Company Gazprom Space Systems	Designer General, Head of Primary Design Bureau
06.2018	09.2018	State Space Corporation ROSCOSMOS	Acting First Deputy Director General
09.2018	01.2019	Federal State Unitary Enterprise Central Research Institute for Machinebuilding	Acting Director General
01.2019	03.2019	S.P. Korolev Rocket and Space Public Corporation Energia	Acting Director General
03.2019	up to now	S.P. Korolev Rocket and Space Public Corporation Energia	Director General

No Participating interest in the Company Charter capital / no common shares in possession

Vladimir Lvovich Solntsev (till 08.2018)

Date of birth: 1957
Education: higher, Candidate of Technical Sciences
All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		*Name of organization*	*Job title*
From	*till*		
10.2010	08.2014	Open joint-stock company NPO Energomash after academician V.P. Glushko	Executive Director
08.2014	09.2014	Open joint-stock company S.P. Korolev Rocket-Space	Acting Company President

		Corporation Energia	
09.2014	06.2016	Open joint-stock company S.P. Korolev Rocket-Space Corporation Energia	Company President
06.2016	08.2018	S.P. Korolev Rocket and Space Public Corporation Energia	Director General

No Participating interest in the Company Charter capital / no common shares in possession

Yekaterina Dmitrievna Karutina (Tormozova) (till 08.2018)

Date of birth: 1979
Education: higher
All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		*Name of organization*	*Job title*
From	*till*		
10.2013	01.2014	Closed joint-stock company KVIT	Director for development
01.2014	11.2015	Federal Space Agency	Head of Administration
11.2015	01.2017	State Space Corporation ROSCOSMOS	Director of Department for contract work; executive director for contract work
02.2017	05.2018	State Space Corporation ROSCOSMOS	Executive Director for contract work

No Participating interest in the Company Charter capital / no common shares in possession

Oleg Petrovich Frolov

Date of birth: 1962
Education: higher
All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		*Name of organization*	*Job title*
From	*till*		
09.2012	10.2013	Federal Space Agency	First Deputy Head
04.2015	06.2018	Russian Federation Military-Industrial Commission	Member of the Commission Board
06.2018	up to now	State Space Corporation ROSCOSMOS	Executive Director in charge of defense programs implementation

No Participating interest in the Company Charter capital / no common shares in possession

Mikhail Nikolayevich Khailov

Date of birth: 1973
Education: higher
All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		*Name of organization*	*Job title*
From	*till*		
06.2008	02.2016	Federal Space Agency	Head of Department in charge of unmanned space complexes and systems, deputy director
02.2016	up to now	State Space Corporation ROSCOSMOS	Deputy Director General in charge of unmanned space complexes and systems

No Participating interest in the Company Charter capital / no common shares in possession

6.3.4. Regulations on ad hoc Committees at the Company Board of Directors, their memberships and information about the meetings held

The following ad hoc Committees are set up at the Board of Directors aimed at a thorough analysis of the problems falling within competence of the Board of Directors in strategic planning, internal control and audit, as well as staff and remuneration.

The Committees are advisory and consultative bodies ensuring efficient performance by the Board of Directors of their overall management functions within the Company. They operate based upon respective regulations:

- Audit Committee Regulations (approved in a revised version by the Board of Directors, Minutes No. 12 of 17.06.2014))
- Personnel and Remuneration Committee Regulations (approved by the Board of Directors, Minutes No. 4 of 11.12.2009, with amendments introduced in 2014 and 2015; Minutes No. 10 of 17.12.2014, Minutes No 1 of 03.08.2015).
- Strategic Planning, Modernization and Innovative Development Committee Regulations(approved by the Board of Directors, Minutes No. 3 of 26.11.2012; amendments are introduced in 2014 and 2015; Minutes No. 10 of 17.12.2014; Minutes No.1 of 03.08.2015).

Appendix 3 to this Annual Report presents detailed information about the resolutions adopted at ad hoc Committees at the Board of Directors in 2018

Composition of the Committee on Strategic Planning, Modernization and Innovative Development at RSC Energia Board of Directors during 2018:

Prior to 30.06.2018:

Yury Veniaminovich Vlasov
Anatoly Anatolievich Gavrilenko
Tatiana Leonidovna Yelfimova
Alexandr Nikolaevich Ivanov, Chairman
Sergei Konstantinovich Krikalev
Sergei Alexandrovich Nikitin
Vladimir Lvovich Solntsev

After 21.08.2018:

Sergei Konstantinovich Krikalev
Vladimir Vladimirovich Meshkov
Sergei Yurievich Romanov
Sergei Valentinovich Saveliev
Nikolai Nikolayevich Sevastiyanov, Chairman

Composition of the Committee on Personnel and Remuneration at RSC Energia Board of Directors during 2018:

Prior to 30.06.2018:

Andrey Vladimirovich Ardeev
Alla Alexandrovna Vuchkovich
Sergei Konstantinovich Krikalev, Chairman
Alexey Viktorovich Nuzhdov
Sergei Valentinovich Saveliev

After 21.08.2018:

Sergei Konstantinovich Krikalev
Vladimir Vladimirovich Matveychuk, Chairman
Vladimir Vladimirovich Meshkov
Konstantin Vladimirovich Romanov
Sergei Valentinovich Saveliev

Composition of the Audit Committee at RSC Energia Board of Directors during 2018:

Prior to 30.06.2018:

Andrey Vladimirovich Ardeev
Tatiana Leonidovna Yelfimova
Sergei Alexandrovich Nikitin, Chairman
Alexey Viktorovich Nuzhdov

After 21.08.2018 till 01.2019:

Lusine Borisovna Arutyunova
Pavel Vyacheslavovich Vinokurov
Sergei Vladimirovich Kapitanov
Svetlana Vyacheslavovna Kukina – Chairman
Dmitry Nikolayevich Chirkin

6.3.5. Provision on Remuneration of the Company Board of Directors members

Regulations on Remuneration and Compensations to be paid to RSC Energia's Board of Directors members is valid in the Company, according to which remuneration to the Board of Directors members shall be paid once a year by the results of accounting fiscal year, upon the resolution passed at General Shareholders' Meeting, as well as actual expenses incurred (with documentary confirmation) in connection with participation in the Board of Directors activities shall be compensated (within the norms laid down).

Accounting period for calculating remuneration to the Board of Director's members is calendar year (fiscal year is coincident with calendar year).

Remuneration is paid by the results of accounting fiscal year (with its amount fixed by the resolution passed by General Shareholders' Meeting) within 3 months after the date of holding AGSM which decided on payment of remuneration and on condition that the Board of Directors member submitted all the required documents for payment of the funds to the Company.

Remuneration of the Board of Directors members includes the following:

- remuneration for taking part in the Board of Directors activities (base part);
- remuneration by the Company performance in accounting fiscal year (variable part).

Size of base remuneration part to the Board of Directors member for participation in the Board of Directors activities for accounting year is calculated as a total remuneration for all meetings in which he participated with due regard for forms of meetings held (with full attendance of the members and by correspondence) and participation procedure (personal presence (including connection to video- and telephone communication), submission of opinion in writing) of the Board of Directors member at the meetings held by the Board of Directors and its Committees. Remuneration is not to be paid in the event that the Board of Directors member did not attend of more than 50% of the meetings held (from the date of his election till the time of his authority termination). Remuneration to the Board of Directors members who are persons liable to Federal law which provides for restriction or ban on receipt of any payments from commercial organizations, shall be neither calculated nor paid. Remuneration shall not be paid to the Board of Directors member who performs functions of the Company Chief Executive Officer (Director General).

On June 30 ,2018, Annual General Shareholders' Meeting was held at RSC Energia which approved the amendments made to the Regulations on Remuneration and Compensations to be paid to the Board of Directors members reflecting changes to the Company and Chief Executive Officer name, as well as specifying the procedure for remuneration calculation and payment and the Board of Directors member right to refuse to be remunerated.

6.3.6. Information about remuneration paid to the Company Board of Directors members in 2018

On 30.06.2018 the Annual General Shareholders' Meeting approved the proposal made by RSC Energia Board of Directors to pay remuneration for their performance in 2017 calculated under the procedure established in the corporate Bylaws (internal documents). Remuneration was to be paid to RSC Energia Board of Directors members, with due regard for refusal to be remunerated on the part of some Board of Directors members for their performance in 2017, for the total amount of 2 891,4 thousand rubles distributed in the following way:

A.A. Gavrilenko - 868,0 thousand rubles
S.A. Nikitin - 1 047,4 thousand rubles
A.V. Nuzhdov - 976,0 thousand rubles

Remuneration is planned for 2 periods (halves of the year): from January through June 2017 (BOD members elected on 25.06.201) and from July through December 2017 (BOD members elected on 24.06.2017)

Within the fixed period of time, remuneration in the amount of 2 891,4 thousand rubles was paid in full.

No other agreements on payment of remuneration to the Board of Directors members except for the payments under the labour contracts entered into with RSC Energia staff members, have been made for current financial year.

No other provisions of property to the Board of Directors members except for the payments under the labour contracts entered into with RSC Energia staff members, have been made for the accounting period.

6.4. Information about the Company executive bodies

Director General, the Chief Executive Officer, and collective executive body, the Management Board, run the Company and its current activities.

The Company executive bodies are accountable to its Board of Directors and General Shareholding Meeting.

6.4.1. Chief Executive Officer

Company Director General runs RSC Energia day-to-day activities in accordance with the established procedure and within the limits of power laid down by Federal Law "On Joint-Stock Companies", other Russian Federation legal acts, the Company Articles of Association, Chief Executive Officer Provision and Labor Agreement concluded with the Chief Executive Officer.

Vladimir Lvovich Solntsev (till 08.2018)

Date of birth: 1957
Education: higher, Candidate of Technical Sciences
All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		*Name of organization*	*Job title*
From	*till*		
10.2010	08.2014	Open joint-stock company NPO Energomash after academician V.P. Glushko	Executive Director
08.2014	09.2014	Open joint-stock company S.P. Korolev Rocket-Space Corporation Energia	Acting Company President
09.2014	06.2016	Open joint-stock company S.P. Korolev Rocket-Space Corporation Energia	Company President
06.2016	08.2018	S.P. Korolev Rocket and Space Public Corporation Energia	Director General

No Participating interest in the Company Charter capital/no common shares in possession

Sergei Yurievich Romanov
Date of birth: 1957
Education: higher professional, Doctor of Technical Sciences
All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		*Name of organization*	*Job title*
From	*till*		
07.2012	12.2014	RSC Energia	First Deputy Designer General, Head of Project Management Office
03.2014	10.2015	ZAO ZEM RSC Energia	Director General (job combined with the main job)
12.2014	12.2016	RSC Energia	Designer General of Manned Space Complexes
01.2017	08.2018	RSC Energia	First Deputy Designer General – Chief Designer of Manned Space Complexes
08.2018	09.2018	RSC Energia	Acting Director General
09.2018	01.2019	RSC Energia	Director General
01.2019	up to now	RSC Energia	First Deputy Director General – First Deputy Designer General

On 30.08.2018 he sold uncertified registered common stock of the issuer equal to 14.
Participating interest in the issuer Charter capital, %: 0.00009.
Person's share in the issuer common stock ownership, %: 0.00009.

On 24.01.2019 RSC Energia Board of Directors (Minutes No10 dated 24.01.2019) passed the resolution to suspend powers assigned to Sergei Yurievich Romanov as the Chief Executive Officer, to designate acting chief Executive Officer and convene extraordinary general shareholders meeting at RSC Energia in order to resolve on election of Chief Executive Officer (Director General).

Nikolai Nikolayevich Sevastiyanov was appointed acting Director General of RSC Energia.

By resolution passed, extraordinary General Shareholders' Meeting held at RSC Energia (Minutes No36 dated 06.03.2019) elected Nikolai Nikolayevich Sevastiyanov as RSC Energia Director General.

6.4.2. Collective Executive Body of the Company

In accordance with the Articles of Association existing in the Company, the membership and staff of the Management Board are determined by the Board of Directors. Management Board members are elected for a 5-year period by the Board of Directors with due regard for a proposal put forward by the Company Director General. Only Company employees and/or 100% SAC are entitled to be members of the Management Board.

Powers assigned to any Management Board member can be early terminated by resolution of the Board of Directors. Once the labour contract concluded by the Management Board member with the Company (or a 100% SAC) as the employer is cancelled, his powers as the Management Board member are regarded terminated.

6.4.3. Company Management Board membership in 2018

1.	Alexey Alexandrovich Beloborodov (till 08.2018)	Deputy Director General in charge of personnel, social policy, control-auditing activity, RSC Energia
2.	Nikolay Albertovich Brukhanov (till 01.2018)	First Deputy Designer General, Chief Designer of advanced space complexes and systems, RSC Energia
3.	Pavel Vyacheslavovich Vinokurov	First Deputy Director General for financial-economic activity, RSC Energia
4.	Evgeny Alexeevich Yermakov	Head of Department, Chief Engineer, RSC Energia
5.	Mikhail Yurievich Ignatkin (till 08.2018)	Deputy Director General for strategy and development, RSC Energia
6.	Mikhail Viktorovich Komarov (till 02.2018)	Deputy Director General for personnel and social policy, RSC Energia

7. Yelena Mikhailovna Korogodina	Chief Accountant, RSC Energia
8. Alexandr Alexandrovich Kuznetsov	Deputy Director General, Head of Main Project Management Office, RSC Energia
9. Igor Evgenievich Maltsev	Director General, ZAO ZEM RSC Energia, adviser to Director General of RSC Energia (second job)
10. Mikhail Yurievich Merkulov	Deputy Director General for Security, RSC Energia
11. Evgeny Anatolievich Mikrin	Designer General, First Deputy Director General, RSC Energia
12. Nikolay Anatolievich Pirogov	Adviser to Director General, RSC Energia
13. Stepan Mikhailovich Prokhorov (till 10.2018)	Deputy Director General for cooperation with government bodies, RSC Energia
14. Igor Sergeevich Radugin (till 09.2018)	First Deputy Designer General, Chief Designer of launch vehicles, RSC Energia
15. Sergei Yurievich Romanov	Director General, RSC Energia
16. Sergei Anatolievich Saperov	Deputy Director General for organization-legal matters, RSC Energia
17. Vladimir Lvovich Solntsev (till 08.2018)	Chairman of Management Board, Director General, RSC Energia
18. Vladimir Alexeevich Solovyov	First Deputy Designer General for flight operation, tests of rocket-space complexes and systems, RSC Energia
19. Igor Vladimirovich Frolov	First Deputy Designer General, Chief Designer of Unmanned Space Complexes and Systems, RSC Energia
20. Nikolai Ivanovich Chekin	Adviser to Director General, RSC Energia

Posts are given as of 31.12.2018/date of termination of the Management Board powers.

6.4.4. Background information about the persons serving on the Company Management Board in 2018

Alexey Alexandrovich Beloborodov

Date of birth: 1976
Education: higher
All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		*Name of organization*	*Job title*
from	*till*		
06.1993	10.2016	Service in the RF Armed Forces	Serviceman
10.2016	12.2016	Was out of work	
12.2016	02.2017	RSC Energia	Adviser to Director General
03.2017	02.2018	RSC Energia	Head of Control-Auditing Department
02.2018	8.2018	RSC Energia	Deputy Director General in charge of personnel, social policy and control-auditing activity

No participating interest in the Company Charter capital/no common shares in possession
Labor Agreement was cancelled as of 17.08.2018 with ensuing termination of his powers as the Management Board member.

Nikolay Albertovich Brukhanov (till 01.2018)

Date of birth: 1957
Education: higher
All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		*Name of organization*	*Job title*
from	*till*		
07.2012	12.2014	RSC Energia	First Deputy Designer General, Chief Designer of Manned Space Complexes
12.2014	12.2016	RSC Energia	Designer General of Advanced Space Complexes and Systems
01.2017	01.2018	RSC Energia	First Deputy Designer General, Chief Designer of Advanced Space Complexes and Systems

No participating interest in the Company Charter capital/no common shares in possession
Labor Agreement was cancelled on 16.01.2018 which resulted in termination of his powers as the Management Board member.

Pavel Vyacheslavovich Vinokurov

Date of birth: 1975
Education: higher
All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		*Name of organization*	*Job title*
from	*till*		
07.2011	08.2014	OAO NPO Energomash	Deputy Managing Director for Economics and Finance
08.2014	05.2016	RSC Energia	Vice-President for Financial-Economic Activity
05.2016	08.2016	RSC Energia	Senior Vice-President for Financial-Economic Activity
08.2016	*	RSC Energia	First Deputy Director General for Financial-Economic Activity

Participating interest in the issuer Charter capital: 0.00018%
Person's share in the issuer common stock ownership: 0.00018%
Term of office in accordance with the Labor Agreement: unlimited

Evgeny Alexeevich Yermakov

Date of birth: 1984

Education: higher

All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		*Name of organization*	*Job title*
from	*till*		
09.2011	01.2015	OAO NPO Energomash	Chief power engineer, Deputy Chief engineer for operation; Chief power engineer
01.2015	02.2015	RSC Energia	Chief power engineer
02.2015	*	RSC Energia	Head of Department, Chief engineer
10.2016	*	ZAO ZEM RSC Energia	Chief engineer (job combined with the main job)

No participating interest in the issuer Charter capital/no common shares in possession

Term of office in accordance with the Labor Agreement: unlimited

Mikhail Yurievich Ignatkin (till 08.2018)

Date of birth: 1977

Education: higher

All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		*Name of organization*	*Job title*
from	*till*		
04.2012	04.2017	OAO Moscow Metrostroy	Adviser to deputy Director General
03.2015	11.2016	RSC Energia	Adviser to the President (job combined with the main job)
11.2016	04.2017	RSC Energia	Adviser to Director General (job combined with the main job)
04.2017	08.2018	RSC Energia	Deputy Director General for Strategy and Development

No participating interest in the issuer Charter capital/no common shares in possession

Labor Agreement was cancelled on 20.08.2018 with ensuing termination of his powers as the Management Board member.

Mikhail Viktorovich Komarov (till 02.2018)

Date of birth: 1961

Education: higher, Candidate of Technical Sciences

All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		*Name of organization*	*Job title*
from	*till*		
10.2007	12.2014	RSC Energia	Personnel Director
12.2014	02.2018	RSC Energia	Vice-President for Personnel and Social Policy
08.2016	02.2018	RSC Energia	Deputy Director General for Personnel and Social Policy

Participating interest in the issuer Charter capital: 0.00009%

Person's share in the issuer common stock ownership: 0.00009%

Labor Agreement was cancelled on 08.02.2018, for this reason his powers as the Management Board member were terminated.

Yelena Mikhailovna Korogodina

Date of birth: 1975

Education: higher

All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		*Name of organization*	*Job title*
from	*till*		
02.2011	*	RSC Energia	Chief Accountant

On 30.08.2018 sold uncertified registered common stock of the issuer equal to 1.

No participating interest in the issuer Charter capital/no common shares in possession

Term of office in accordance with the Labor Agreement: unlimited

Alexandr Alexandrovich Kuznetsov

Date of birth: 1960
Education: higher
All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		*Name of organization*	*Job title*
from	*till*		
2006	2012	RSC Energia	Head of Directorate
09.2012	02.2015	RSC Energia	First Deputy Designer General, Head of Project Management Office
02.2015	08.2015	RSC Energia	Head of Project Management Office
08.2015	10.2016	RSC Energia	Deputy Designer General for launch vehicles, Head of Project Management Office
10.2016	*	RSC Energia	Deputy Director General, Head of Main Project Management Office

No participating interest in the issuer Charter capital/no common shares in possession
Term of office in accordance with the Labor Agreement: unlimited

Igor Evgenievich Maltsev

Date of birth: 1965
Education: higher
All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		*Name of organization*	*Job title*
from	*till*		
04.2011	08.2013	OOO Stroyengineering	Deputy Director General
07.2014	01.2015	OAO NPO Energomash	Head of Department
01.2015	05.2016	AO NPO Energomash	Chief Controller
05.2016	09.2016	AO NPO Energomash	Deputy Executive Director, Chief Controller
10.2016	02.2017	ZAO ZEM RSC Energia	Deputy Director General in charge of Quality
02.2017	*	ZAO ZEM RSC Energia	Director General
02.2018	*	RSC Energia	Adviser to Director General (job combined with the main job)

No participating interest in the issuer Charter capital/no common shares in possession
Term of office as Director General in accordance with the Labor Agreement: 5 years
Term of office in accordance with the Labor Agreement as adviser to Director General: unlimited

Mikhail Yurievich Merkulov

Date of birth: 1960
Education: higher
All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		*Name of organization*	*Job title*
from	*till*		
09.1983	12.2014	Serviceman, Federal Security Service of Russia	
12.2014	08.2016	RSC Energia	Vice-President for Security/Deputy Director General for Security
08.2016	*	RSC Energia	Deputy Director General for Security

No participating interest in the Company Charter capital/no common shares in possession
Term of office in accordance with the Labor Agreement: unlimited

Evgeny Anatolievich Mikrin

Date of birth: 1955
Education: higher professional, the RAS academician, Doctor of Technical Sciences, professor
All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		Name of organization	Job title
from	*till*		
1991	03.2013	Bauman Moscow State Technical University	Professor, Chair IU1, RST Department (job combined with the main job)
03.2013	up to now	Bauman Moscow State Technical University	Holding the Chair, Professor; Chair IU1 (job combined with the main job)
05.2010	12.2015	RSC Energia	First Deputy Designer General, Chief Designer of onboard and ground control complexes and systems; Head of Scientific-Technical Center
09.2007	up to now	Moscow Physico-Technical Institute (MFTI)	Professor, Holding the Chair of Motion Control (job combined with the main job)
12.2015	07.2016	RSC Energia	Designer General
07.2016	*	RSC Energia	Designer General, First Deputy Director General
06.2016	*	State Corporation ROSCOSMOS	Designer General (job combined with the main job)

Participating interest in the issuer Charter capital: 0.00383%
Person's share in the issuer common stock ownership: 0.00383%
Term of office in accordance with the Labor Agreement: unlimited

Nikolay Anatolievich Pirogov

Date of birth: 1951
Education: higher
All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		Name of organization	Job title
from	*till*		
06.2001	01.2013	OAO NPO Energomash	Deputy Director General, Director for Foreign Economic Activity; First Deputy Director General, Director for Foreign Economic Activity; Director General; Deputy Director General for Foreign Economic Activity; Deputy Managing Director for Foreign Economic Activity
01.2013	02.2015	OAO NPO Energomash	Adviser to the First Deputy Managing Director, Chief Designer; Adviser to Managing Director for cooperation with government bodies
02.2015	08.2016	RSC Energia	Vice-President for cooperation with government bodies
08.2016	04.2017	RSC Energia	Deputy Director General for cooperation with government bodies
04.2017	11.2018	RSC Energia	Deputy Director General for special projects
11.2018	*	RSC Energia	Adviser to Director General

No participating interest in the issuer Charter capital/no common shares in possession
Term of office in accordance with the Labor Agreement: unlimited

Stepan Mikhailovich Prokhorov (till 10.2018)

Date of birth: 1980
Education: higher
All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		Name of organization	Job title
from	*till*		
01.2005	04.2017	Cultural Center of M.V. Lomonosov MGU	Manager of studio, senior administrator, chief administrator
05.2009	04.2013	NP Institute for Economics and Legislation	Deputy General Director, Managing Director (job combined with the main job)
05.2013	09.2015	AO NPO Energomash after V.P. Glushko	Adviser to Executive Director (job combined with the main job)
04.2017	10.2018	RSC Energia	Deputy Director General for communication with government bodies of power

No participating interest in the issuer Charter capital/no common shares in possession

On 05.10.2018 the Labour Agreement is cancelled with the ensuing termination of his powers as the Management Board member

Igor Sergeevich Radugin (till 09.2018)

Date of birth: 1953
Education: higher professional, Candidate of Technical Sciences
All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		*Name of organization*	*Job title*
from	*till*		
09.2011	12.2014	RSC Energia	First Deputy Designer General of Rocket-Space Complexes
12.2014	12.02016	RSC Energia	Designer General of Launch Vehicles
01.2017	09.2018	RSC Energia	First Deputy Designer General, Chief Designer of Launch Vehicles

No participating interest in the issuer Charter capital/no common shares in possession
On 10.09.2018 the Labour Agreement is cancelled with the ensuing termination of his powers as the Management Board member

Sergei Yurievich Romanov

Data is presented in section "Chief Executive Officer"

Sergei Anatolievich Saperov

Date of birth: 1968
Education: higher professional
All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		*Name of organization*	*Job title*
from	*till*		
05.2012	09.2014	Served in Counsel's Office No. 1958, the Register of counsels' establishments, Moscow Region	Served in Counsel's Office No. 1958, the Register of counsels' establishments, Moscow Region
09.2014	08.2016	RSC Energia	Vice-President for organization-legal matters
08.2016	*	RSC Energia	Deputy Director General for organization-legal matters

No participating interest in the Company Charter capital/no common shares in possession
Term of office in accordance with the Labor Agreement: unlimited

Vladimir Lvovich Solntsev (till 08.2018)

Data is presented in section "Chief Executive Officer"

Vladimir Alexeevich Solovyov

Date of birth: 1946
Education: higher professional, Doctor of Technical Sciences; RAS corresponding member, professor
All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		*Name of organization*	*Job title*
from	*till*		
02.2009	*	RSC Energia	First Deputy Designer General for Flight Operation, Tests of Rocket-Space Complexes and Systems

On 30.08.2018 he sold uncertified registered common stock of the issuer equal to 234.
No participating interest in the Company Charter capital/no common shares in possession
Term of office in accordance with the Labor Agreement: unlimited

Igor Vladimirovich Frolov

Date of birth: 1978
Education: higher
All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		*Name of organization*	*Job title*
from	*till*		
03.2009	09.2014	RSC Energia	Head of Division
09.2014	12.2014	RSC Energia	First Deputy Designer General of Unmanned Space Complexes
12.2014	12.2016	RSC Energia	Designer General of Unmanned Space Complexes and Systems
01.2017	*	RSC Energia	First Deputy Designer General, Chief Designer of Unmanned Space Complexes and Systems

No participating interest in the Company Charter capital/no common shares in possession
Term of office in accordance with the Labor Agreement: unlimited

Nikolai Nikolaevich Chekin

Date of birth: 1934
Education: higher professional
All positions taken by this person in the issuer and other organizations over the last 5 years and at the present time in chronological order, including sideline jobs:

Period		*Name of organization*	*Job title*
from	*till*		
11.2009	*	RSC Energia	Adviser to Director General

Participating interest in the Issuer Charter capital, %: 0,00303.
Person's share in the issuer common stock ownership, %: 0,00303.
Term of office in accordance with the Labor Agreement: unlimited

** (posts are indicated as of 31.12.2018)*

6.4.5. Provision on remuneration of the Company executive bodies members

There is no fixed remuneration for work in the Company Management Board. Management Board members get payments under the terms of Labour Agreements as the Company employees.

6.4.6. Information about remuneration paid to the Company executive bodies members in 2018

In 2018 members of the Company executive bodies were paid the amount of 161 260,5 thousand rubles, including 156 425,27 thousand rubles (salary); 4 835,23thousand rubles (bonuses) in accordance with the Regulations on labor remuneration and material incentives of RSC Energia employees.

No property was granted to the Management Board members for the accounting period, except for the payments under the Labor Agreements entered into with RSC Energia employees on the staff.

No other agreements on remuneration payments to the Management Board members have been concluded for the current fiscal year, with the exception of the payments under the Labor Agreements entered into with RSC Energia regular staff.

7. EQUITY CAPITAL

7.1. Equity capital structure

RSC Energia Charter capital amounts to *1 123 734 000 rubles* as of 31.12.2018 and consists of *1 123 734* uncertified registered common stock with a nominal value of *1 000 rubles* each, state registration number of securities: 1-03-01091-A of 30.12.1998.

In 2018, additional issues of securities was registered, state registration number of them: 1-03-01091-A-001D dated 09.08.2018.

The number of RSC Energia's placed securities issued additionally was 56 102 stock not specified by kind and 462 133 / 561 867 common shares.

Report on the issue total was registered on 04.02.2019.

In February 2019, amendments to the Articles of Association related to the increased Charter capital were recorded.

RSC Energia's Charter capital now amounts to *1 179 836 822,50 rubles* and consists of *1 179 836 stock not specified by kind* and *462 133/561 867 uncertified registered common shares* with a nominal value of 1 000 rubles each.

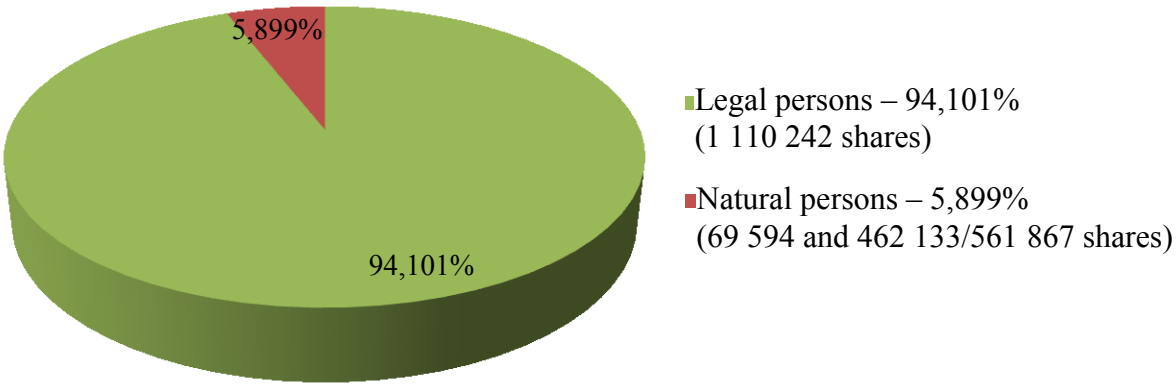
As of 31.12.2018, *the Company does not have at its disposal:*

- shares made available (listed in the fixed assets) to the Company;
- extra shares which can be placed as the result of conversion of the placed securities to be converted into shares or as the result of performance of the commitments under the Company options.

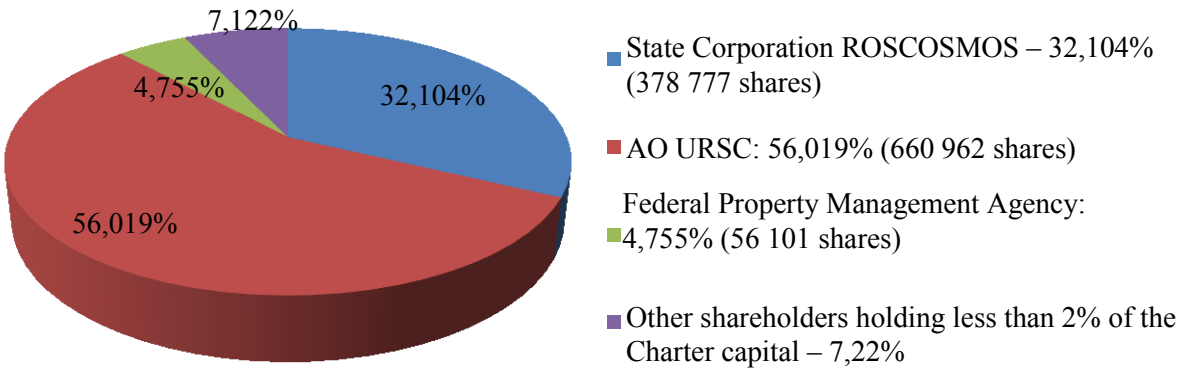
Company shareholders number as on 31.12.2018

Total number of shareholders, including:	6 856
legal persons (including nonresidents) (*incl. 1 nominee shareholder*)	21
natural persons (including nonresidents)	6 835

Company Charter capital structure as of 31.12.2018



Shareholders whose stake in the Company Charter Capital is more than 2% as of 31.12.2018



Since 09.06.2014 up to now, RSC Energia's core stock issue are traded in the Third Tier of the List of Securities allowed for sale by Moscow-Stock Exchange. Information about the state of the Company shares market is available on official Web site of Moscow Stock Exchange moex.com (ticker tape message RSC Energia – RKKE).

7.2. Dividend Policy

RSC Energia dividend policy is based upon the balance of interests between the Company and its shareholders in determining size of dividend payouts; respect for and strict observance of the shareholders' rights provided for by active legislation of the Russian Federation, the Company Articles of Incorporation and its By-Laws; efforts to increase investment attractiveness of the Company and its capitalization.

Declaring dividends and their payouts are carried out in accordance with the provisions stated in the Company Articles of Association and requirements stated in Federal Law "On Joint-Stock Companies" as resolved at the General Shareholders Meeting in accordance with the Board of Directors' recommendations, as well as in line with proposals put forward by the Board of Directors.

State Corporation ROSCOSMOS is the holding company of RSC Energia and as of 31.12.2018 88,12% of RSC Energia's placed stock are under its control (both directly and indirectly). Therefore, the Company dividend policy is based upon respective dividend policy pursued by State Corporation ROSCOSMOS.

In order to ensure implementation of RSC Energia's Financial Recovery Program, the Board of Directors (Minutes No 27 dated 18.06.2018) approved resolution to impose moratorium on dividend payout in distribution of RSC Energia net profit during the 2018-2020.

COMPANY DIVIDEND HISTORY OVER THE 2013-2017 PERIOD

	2013*	2014	2015	2016	2017
Period for which dividends are paid	full year	full year	full year	full year	full year
Control body that passed a resolution to declare dividends	General Shareholders' Meeting	General Shareholders' Meeting	General Shareholders' Meeting	General Shareholders' Meeting	General Shareholders' Meeting
Date of holding General Shareholders' Meeting	14.01.2015	27.06.2015	25.06.2016	24.06.2017	30.06.2018
Date on which the List of persons entitled to get dividends for a given dividend period was drawn up	03.02.2015	List was not drawn up; the date was not fixed	14.07.2016	No date was fixed, because it was resolved not to pay dividends due to the fact that there had been no net profit earned.	Due to the imposed moratorium on dividend payout, date on which the List of persons entitled to get dividends was not fixed.
Date of making up General Shareholders' Meeting Minutes and their number	16.01.2015 No.28	30.06.2015 No. 29	25.06.2016 No. 30	28.06.2017 No. 31	28.06.2017 No. 31
Category (class) of shares	common	common	common	common	common
Size of declared dividends on this category (class) of shares per share, rubles	95	General Shareholders' Meeting resolved that no dividends on the Company shares by the 2014 performance were to be calculated and paid as there had been no net profit earned	135	General Shareholders' Meeting resolved that no dividends on the Company shares by the 2016 performance were to be calculated and paid for 2016 as there had been no net profit earned.	General Shareholders' Meeting resolved that no cash would be allocated for dividend payouts.
Size of declared dividends in the aggregate on all shares of a given category (class), thousand rubles	106 754,7	0	151 704,1 (including taxes of 11 124,6)	0	0
Source of the declared dividends payment:	Net profit for 2013	No net profit for 2014	Net profit for 2015	No net profit for 2016	-
Share of the declared dividends in net profit for the accounting year, %	25,65	0	25,7	0	0
Total size of dividends paid on all issuer shares of one category (class), thousand rubles	105 093,9**	No dividends by the 2014 performance of the Company were calculated and paid as there had been no net profit earned	148 624,4** (including taxes of 11 124,6)	No dividends by the 2016 performance of the Company were calculated and paid as there had been no net profit earned	0
Share of the dividends not received by addressees, % Reasons:	1,5	–	2,03	–	–

	2013*	2014	2015	2016	2017
- stale data in legal persons payment details; - shareholders not available at the addressees indicated in questionnaires; - no mail transfers are made with certain countries where some of the shareholders – natural persons (nonresidents) are registered; - incorrect particulars for payment stated by the shareholders					
Time allowed for payment of declared dividends on shares	for nominee shareholder and professional securities market participant, trustee entered in the Register of Shareholders – till 17.02.2015; - for other persons entered in the Register of Shareholders – till 12.03.2015	–	- for nominee shareholder and professional securities market participant, trustee entered in the Register of Shareholders – till 28.07.2016; - for other persons entered in the in the Register of Shareholders – till 18.08.2016	–	–

* At the annual General Shareholders' Meeting held on 12.07.2014. (Minutes No. 26 of 15.07.2014), no decision was taken on RSC Energia's profits allocation by the 2013 performance of the Company. Relevant decision was taken at extraordinary General Shareholders' Meeting held on 14.01.2015 (Minutes No. 28 of 16.01.2015).

** As on the date of 31.12.2018

7.3 Information about distribution and disposition of the profit earned by the 2017 performance in 2018

By the Company performance in 2017, its net profit was 1 232 438 thousand rubles.

According to the resolution passed at the regular general shareholders meeting held on 30.06.2018 net profit earned by the 2017 performance was allocated as follows:

- 168 560,1 thousand rubles were forwarded to the reserve fund (13,6769% of net profit) which came to 15% of the Charter capital (thus, the reserve fund was created in full);
- 2 891,4 thousand rubles were directed to pay remuneration to the Board of Directors members; 86,4 thousand rubles were allocated to the Audit Committee members (with due regard for refusal to be remunerated expressed by some members of the Board of Directors and Audit Committee). Total amount of cash allocated for remuneration came to 2 977,8 thousand rubles (0,2416% of net profit);
- 1 060 899,6 thousand rubles were placed at the Company's disposal;
- no funds were earmarked for dividend payouts.

8. INTERNAL CONTROL AND RISK MANAGEMENT

8.1. Description of the key risk factors associated with the Company activities

Risks related to acquisition of issuing securities placed

Acquiring RSC Energia-held stock, investors need to take into account that RSC Energia during its economic activities is running the risks related to political, economic situations unfolding in the country, as well as the situation arising in the Russian Federation financial markets. This section presents description of major risks in the Company's view. RSC Energia cannot assure potential investors that the above risk factors are complete and exhaustive to decide on acquiring the Company stock.

Information addressed in this section can be no substitute for investment risk analysis on the part of those who acquired securities.

Company reveals, follows up, assesses risk factors and undertakes all measures possible to minimize harmful effects. The factors beyond control of the Company are considered when its activities are being planned. The factors that come under the Company control are taken into account in the package of measures to reduce the risks.

Measures to counteract risks at RSC Energia should primarily ensure performance of all commitments assumed by the Company. The basic instrument is insurance against separate risks, first of all, manufacturing risks. The Company introduced internal control system which assured safety of assets, made it possible to increase its operation effectiveness and efficiency. Also internal control system guarantees reporting reliability and authenticity, its compliance with the legislation requirements.

Space activity is a licensed activity, therefore, it is critical to RSC Energia to fulfil licensing requirements.

The Company properly complies with the licensing requirements established by current legislation. The Company lawyers follow up all changes in the legislation, including draft documents concerning licensing core business.

Risk management function is distributed in the Company, i.e. risk identifying and analysis; taking and implementing decisions required to counteract/minimize risk effects are performed by top managers for respective areas of responsibility:

- economic risks are managed by First Deputy Director General for Economics and Corporate Governance; Project managers;
- technical risks are considered by Designer General, First Deputy Designer General, Deputies Designer General, Chief Designers for core business activities;
- technological risks are undertaken by the Company Chief Engineer, the management of the main technological entity, ZAO ZEM RSC Energia;
- legal risks are dealt with by Deputy Director General for organization – legal matters, etc.

When responsible top manager does not have enough authority for decision taking or risk may affect several lines of activity, the Board of Management and RSC Energia Director General are to be involved.

Information about possible circumstances which do hamper the Company operation (legal, financial, space industry specific risks, country and regional risks; risks associated with the Company business).

RSC Energia places a strong emphasis on preventive measures to combat corruption, corrupt offences and take action against corruption as the key factors having direct impact on the corporate risk level.

Measures to prevent and mitigate corrupt practice risks are formalized in the Company in-house regulatory documents such as:

- Anticorrupt Practices Policy;
- Code of Official Ethics and Conduct;
- Provision on RSC Energia Employees Reporting a Gift Presented to them due to their Official Position or Official Duties they are performing; handing the Gift over and Evaluation; Selling (Buy-Out) and Crediting the Funds Gained from its sale;
- Provision on Conflict of Interests;
- Provision on Hot Line to Bring up the Issues of Corruption and Combat Corrupt Practices at RSC Energia.

As per order issued by the President of the Russian Manufacturers' and Employers' Union No RP-37 of 25.11.2016, the Company was added to the Unified Register of Participants in the Anticorruption Practices Charter of Russian Business. In 2018 the Company extended its participation in the Charter for 2 years (through 2020).

Consistent implementation of the Anticorruption Practices Charter provisions is confirmed in the Company by undertaking appropriate preventive measures to combat corruption which must be put into effect by any organization according to the requirements stated in Art. 13.3, Federal Law No 273-FZ dated 25.12.2008 "On Anticorrupt Practices".

In September 2018 RSC Energia's Plan to combat corruption was approved for the period from September 2018 through December 2019.

Company complies with the anticorrupt requirements in exercising control over procurement activity, including check of procurement documentation and procurement participants aimed to assess their trustworthiness and good faith levels, settle conflict of interest, rule out affiliation and other abuses associated with the posts filled in the Company.

Company performs scheduled and unscheduled inspections of adherence to the principles of doing business in an open and honest way.

Space industry risks

At the present time, the demand for space services on the world market is gradually increasing. After closure of the Space Shuttle Program the Russian Federation dominates on the manned flights market. The government order for crew transportation spacecraft Soyuz MS and cargo transportation spacecraft Progress MS is expected to be stable. It is determined by the need to meet international commitments by the Russian Federation to deliver crew members and cargo to support the ISS operation. However, volume of the orders is expected to vary due to the circumstances described below.

In accordance with the 2016-2025 Federal Space Program being implemented in Russia, the number of annually launched cargo transport spacecraft has decreased from four to three since 2017.

Since 2012, the US Space Agency NASA is capable of using cargo transport spacecraft Dragon in order to deliver and return cargo to/from the ISS on its own. Since 2013 NASA's cargo can also be delivered to the ISS via cargo transport spacecraft Cygnus. As a result, NASA's orders for cargo transportation to the ISS by Progress spacecraft have reduced to a minimum at the present time and are being carried out under the agreements made between NASA and State Corporation ROSCOSMOS.

NASA is going to start operational use of the Starliner (the Boeing) and Crew Dragon (Space X) commercial manned space vehicles in late 2019 – in early 2020. Demonstration flight tests of commercial space vehicles are slated for the first half of 2019 (in unmanned mode), while in the second half of 2019 the tests will be performed in a manned mode. Following an initial period of

new US space vehicles reliability demonstration, market prices for flights are likely to decline because of the growing competition which may result in development of manned flights market.

As for the domestic market, the Company has no competitors in this line of activity.

Steady demand is expected for the Company activities aimed to operate the ISS and use it for specified purposes, including international projects for Earth and space research. Work is underway on new ISS RS modules (MLM-U, NM, SPM).

Advanced developments in the field of manned cosmonautics involve building ambitious manned transportation system with crew transportation spacecraft Federation and new generation space rocket complexes of medium and superheavy classes. The above plans are addressed in the 2016-2025 Federal Space Program of Russia.

For the Company, space industry risks in the field of manned flights are associated with an increased product and services cost, as well as the ratio between dynamics of this increase and comparative analogs on foreign markets.

At the present time, demand for space communication and broadcasting services using unmanned spacecraft (including electrorocket propulsion system (ERPS)) on the Russian and world markets tends to grow steadily.

Currently, the main priorities on the world market of communication and broadcasting SC commercial are:

- building SC with upgraded performance (service life, power, transmission capacity, outfitted with ERPS, etc.) operating in C and Ku frequency bands for a scheduled replacement of operational SC;
- manufacture of SC operating in Ka frequency band making it possible to dramatically rise transmission capacity of satellites and provide new satellite communication services: wide-band access to Internet network and high-rate trunk communication channels.

The most critical factors determining space industry risks for the Company on the world market for unmanned spacecraft manufacture are the following:

- keen competition among major manufacturers of spacecraft on the world market;
- new world players from the countries with high rates of economic growth (such as China, India, Japan) entering the market of unmanned spacecraft manufacture and launch;
- political instability in some developing countries which create potential market for the Company products and services;
- imposing sanctions which restrict purchase of electronic components abroad from the leading manufacturers.

Also it is worth noting that there is robust competition among national manufacturers of spacecraft such as OAO Information Satellite Systems after academician M.F. Reshetnev, AO RSC Progress, AO NPO after S.A. Lavochkin, etc.

In order to prevent possible negative consequences of space industry risks, RSC Energia pursues an active scientific-technical policy of participation in the Federal Space Program, conducts continually search for potential Russian and foreign customers of satellites and foreign partners interested in advanced space technologies.

As to RSC Energia-made the DM-type Upper Stages, the Company competes with Russian manufacturers of such Upper Stages as AO FSUE Khrunichev SR&PSC and AO NPO after S.A. Lavochkin. The Company, therefore, is busy all the time with efforts to upgrade technical

and operational characteristics of the DM-type Upper Stages in order to ensure its competitive power.

Country and regional and logistics risks

One of the main country-related factors having an impact on the national economy, industry and financial system is sanction pressure on Russia which is being currently applied and even expands. In so doing, in spite of continual toughening of the US sanctions against Russia, this pressure does not extend to our cooperation in space programs with NASA, as well as deliveries of any products and services required to serve this purpose. Good points for the Company operation are political stability in the country, relatively low inflation rate and stabilization of the ruble rate with respect to major international currencies, stabilization of oil and gas prices on the world markets.

RSC Energia is registered and conducts its activities in a central part of the Russian Federation, namely Moscow Region.

Risks of exposure to disasters (including hurricanes, earthquakes, etc.) are extremely low. Moscow Region is connected via motor, railway and air transport with all Russian regions, as well as all countries of the world. Risk of possible termination of transportation due to remoteness of the region and/or its being difficult of access is entirely excluded.

Moscow Region is regarded as one of the most politically stable areas which does not border directly upon zones of military conflicts, as well as the regions in which there is a high probability of introducing state of emergency.

However, current international situation as it stands can generate risks associated with attempts to commit terrorist acts by extremist groups. Thus, the Company puts special emphasis on guarding its premises, as well as IT security.

RSC Energia is far away geographically from sites of vehicles prelaunch processing on Processing Facility and Launch Complex of cosmodromes (including Baikonur Cosmodrome). Therefore, the Company operation is associated with risks of its property loss and damage during transportation to point of destination. The Company provides for insurance against these risks.

Activities being conducted by RSC Energia on the territory of the Republic of Kazakhstan (Baikonur Cosmodrome) depends upon influence of political and economic factors on interstate relations. Stability in this international activity of the Company is maintained by the following international agreements entered into between Russia and the Republic of Kazakhstan:

- Agreement on the use of Baikonur Cosmodrome till 2050;
- Treaty on Eurasian Economic Union.

The participating countries do their best to create necessary conditions for economic development cooperation; provide coordinated state backing of their priority industries and works; pursue agreed customs policy; develop the united transportation systems.

Company is involved in a number of projects for foreign customers located in African countries. In implementation of these projects, insurance instrument is used as well.

Financial risks

Unstable geopolitical and economic situation may affect financial stability indicators of RSC Energia. Size of proceeds of the sale of goods (works, services) and profit are negatively impacted by inflation risks, changes in exchange rates and risks of changed interests rates on credits.

Inflations risks

Significant increase in growth rate of prices of goods, raw materials, subcontract items may result in increased costs which could affect negatively size of net profit and reduce cash assets.

With due regard for an increased value-added tax in 2019, the Bank of Russia forecasts magnitude of annual inflation making up 3,5-4% at the end of 2018 and its short-term increase up to 4-4,5% in 2019.

Monetary policy being pursued by the Bank of Russia makes it possible to assess inflation risks as minimal.

Management policy being implemented in the Company and aimed at preserving current assets; maintaining control over debts receivable and rational application of available funds allow to balance inflationary effect (given real inflation level matches the forecasted level) on production capability.

Exchange rate changes risks

Exchange rate changes may affect economic activities, because the Company is the exporter, as well as the importer of science-intensive and high-technology products.

Acute fluctuations of the exchange rates may have both beneficial and negative impacts on RSC Energia financial standing depending upon ratio between currency earnings received and costs of purchasing foreign-made components used in final products. As most of the contracts were concluded in rubles, risk of exchange rates fluctuations is assessed as low or moderate.

Interest rate risks

Duration of output manufacturing cycle implies use of borrowed resources. Key interest of the RF CB decreased down to 7,25% (as compared with that of 7,75%) during 1st quarter of 2018. In the 2nd quarter of 2018 the Bank of Russia took decision to keep the key interest rate at the level of 7,25% per annum. The 3rd quarter saw rise in the key rate by 0,2 point up to 7,5% per annum. In the 4th quarter of 2018 the key interest rate was higher by 0,25 point up to 7,75%.

Under the influence of external factors, monetary conditions somewhat tightened which could have a considerable impact on the cost of borrowing for RSC Energia.

Legal risks

Range of the Company legal risks includes the following:

- risks of losses due to potential illegitimacy of transaction or its improper documentation; infringement of codes and rules of doing business;
- risks of the party concerned handling a transaction with insufficient authority thereto;
- risk of lawsuit court judgement duration and costs which involve negative property consequences for the Company;
- risk of taking inadequate or incorrect legal advice; legally unsettled problems and situations arising in the course of the Company operation;
- risk of changing current legislation.

In order to reduce to a minimum the above risks, the Company arranged the process of agreeing on transactions which involves mandatory coordination of all the transactions with the Company legal and auditing departments.

In the course of its contract and purchase activities, the Company is exposed to risks related to its counterparts. Therefore, during execution of civil-legal transactions, as well as during performance of civil-legal commitments arising from the above transactions, the risk factors given below are monitored on a continual basis:

- financial instability and insolvency of a contracting party;
- unreability of a contracting party; contracting party being unable to provide high-quality goods, work, services;
- hidden affiliation, etc.

Comprehensive preliminary audit of potential counterparts is performed by assessment of documentation they submit; analysis of information available in open sources and dedicated databases, as well as operational arrangements as field checks can be undertaken.

In execution of internal control over prevention and counteraction with respect to corrupt practices, as well as during management of risks associated with counterparties, the Company takes into account advanced international practice, provided that it does not run counter to Russian legislation.

Company procurement activity is heavily regulated, mandatory tender procedures are introduced. The Company monitors on continual basis the standards introduced, keeps their compliance under control and improves them on a regular basis.

Changes in legislative acts and by-laws concerning budgetary spending procedure under state order have an impact on the Company economic activities. During the accounting year the Company was putting measures into effect which made it possible to adapt to changes in the rules and the procedure for spending budgetary funds allocated for the state order.

One of the most important components of legal risks is tax risk. One of the peculiarities of the Russian legislation on taxes and charges is its continuous changeability. The laws making amendments to the Russian Federation Tax Code with respect to changes to specific tax calculation and payment procedure are passed annually. This adds complexity to making medium-term and long-terms forecasts for taxpayer activity, complicates tax planning as a whole. Instability of tax regulations exposes the Company to risk of being charged and having to pay rather high penalties and fines, despite its intention to operate in strict compliance with the legislation, as well as can lead to an increase in tax burden as a whole.

Company continues to carry out an analysis of amendments to existing tax legislation with the aim to reduce tax risks.

Effective from 03.01.2019 became Article 55 “Securing execution of obligation to pay customs duties, taxes” of Federal Law No 289-FZ of 03.08.2018 “On customs regulation in the Russian Federation and introduction of amendments to some legislative acts of the Russian Federation”.

Under this Article, from 03.01.2019 all import deliveries of equipment under international contracts and protocols (except for the cargoes to be delivered to the ISS) come within securing execution of the obligation to pay customs duties, taxes.

Extent of securing execution of the obligation to pay customs duties, taxes is determined from amounts of customs duties, taxes which would have to be payed if the goods were subject to the customs procedure valid for domestic consumption products, with no tariff preferences for payment of import customs duties, taxes and which would be at least 20% of the cost of delivered equipment.

Securing execution of the obligation to pay customs duties, taxes is provided as cash collateral, bank guarantee or surety; in this connection, the probability arises of extra expenses required to get bank guarantees or spending money for security collateral. At the present time, State Corporation ROSCOSMOS is resolving the issue on preventing this Article from being valid within space industry organizations.

The Company participates in foreign economic relations; part of its liabilities are expressed in foreign currency; therefore, it is exposed to the risks associated with exchange adjustment change. Significant changes in exchange adjustment rules were not observed during the accounting period; in this connection, these risks are regarded as low.

Changes in the requirements for licensing of the Company core business could result in some additional expenses of the Company related to getting a new license, extension or change of the license already available; however, the Company forecasts the risk of occurring such events as

unlikely. RSC Energia meets all license requirements established by active legislation in due time and in full volume; no difficulties whatsoever in extending validity of the available licenses are forecasted by the Company.

During the accounting period, no changes in judicial practice on the matter related to the Company operation (including licensing problems) which could adversely impact the Company performance, as well as the results of current legal proceedings, in which the Company is involved, have taken place. Legal risks associated with changes in the judicial practice on the matters concerning the Company operation which could adversely impact its performance are regarded as minimal.

Appendix 12 to the Annual Report provides information about ongoing court proceedings where the Company acts as a plaintiff or defendant on debt claim.

Risks of goodwill loss (goodwill loss risk)

Risk of incurring losses due to reduced number of the Company customers resulting from poor image of its financial stability and quality of products is assessed as insignificant. The Company has a steady business portfolio based upon state order. The Company discloses information about its operation on a regular basis, it is a creditworthy borrower. The Company products reliability is assured by its quality management certification system and a long-term experience in continuous manufacture and operational use of space technology.

Strategic risk

Risk of incurring losses due to improper strategic decisions is estimated as insignificant. RSC Energia holds a dominating position in Russia in the field of manned space flights which makes it active in defining government strategy in this area and, accordingly, in forming a long-term business portfolio.

"The Concept of Russian Manned Cosmonautics Development until 2050" developed with the Company participation, provides for further development of manned cosmonautics both on near-earth orbit and beyond it. The Federal Space Program of Russia intended for the 2016-2025 period enables to perform a long-term planning of the Company core business and reduces risk of incurring losses by the Company during implementation of strategic decisions. However, there is still risk of introducing significant changes to the Federal Space Program of Russia which, in its turn, would require updating of the Company long-term plans.

Based on its high performance in the field of manned Programs, the Company diversifies its business developing lines of activities related to building satellites and launch vehicles.

Risks related to the Company operation

Possible loss of customers, turnover with which accounts for at least 10% of the total proceeds of the Company products (work, services) sale, is insignificant, because during the five complete fiscal years the Russian Federation has been such a customer.

In 2016 State Corporation ROSCOSMOS took over the state customer's functions from the Federal Space Agency, while the main scope of work of RSC Energia is being performed within the 2016-2025 Federal Space Program.

During the accounting period the Company is exposed to the risks associated with current legal proceedings in which RSC Energia is involved and which can affect the Company operation.

Company conducts activities which under the Russian Federation legislation are possible, provided that there is a special authorization (license). Therefore, the Company during conduct of its core business is exposed to risk associated with being unable to extend its licenses, license suspension or recall. RSC Energia meets all license requirements, as well as takes all actions required to get new licenses (if necessary), keep licenses in force/extend their validity and minimize the risk of licenses suspension and recall. At the present time, no preconditions of

legal, economic or political character which could lead to complicating the procedure or reduce probability of extending validity of the licenses being used by the Company have been revealed.

The Company liability for debts incurred by its subsidiary companies may arise in accordance with the RF current legislation. In accordance with the Russian Federation Civil Code provisions and provisions of the Federal Law "On Joint-Stock Companies" No 208-FZ of 26.12.1995, shareholders of Russian joint-stock company are not liable for commitments (debts) of its subsidiary companies and are only running the risk of their investments loss. However, in some cases specified by legislation when "the parent company" is in a position to define decisions to be taken by "the subsidiary company", "the parent company" may be brought to joint and several liability or secondary liability. Accordingly, RSC Energia as the parent company of the subsidiary companies, in which RSC Energia owns more than 50% of the Charter capital and has the right to give binding instructions, may become liable for their debts. Performance of similar obligations may affect adversely the Company performance. However, taking into account absence of legal proceedings in which the Company acts as the defendant on liabilities incurred by subsidiary, affiliated and other companies, the Company does not find materiality criterion in the risks related to occurrence of liability for third persons debts, including its subsidiary companies.

Company manufacturing activity involves a possibility of causing damage to environment and risk of civil responsibility arising from it due to expenses on efforts to be made to repair such damage.

In order to mitigate such risks, the Company monitors all manufacturing processes with the aim to adhere to the corresponding environmental protection standards throughout all phases of its activity; implements measures to ensure environmental protection and mitigate environmental impact.

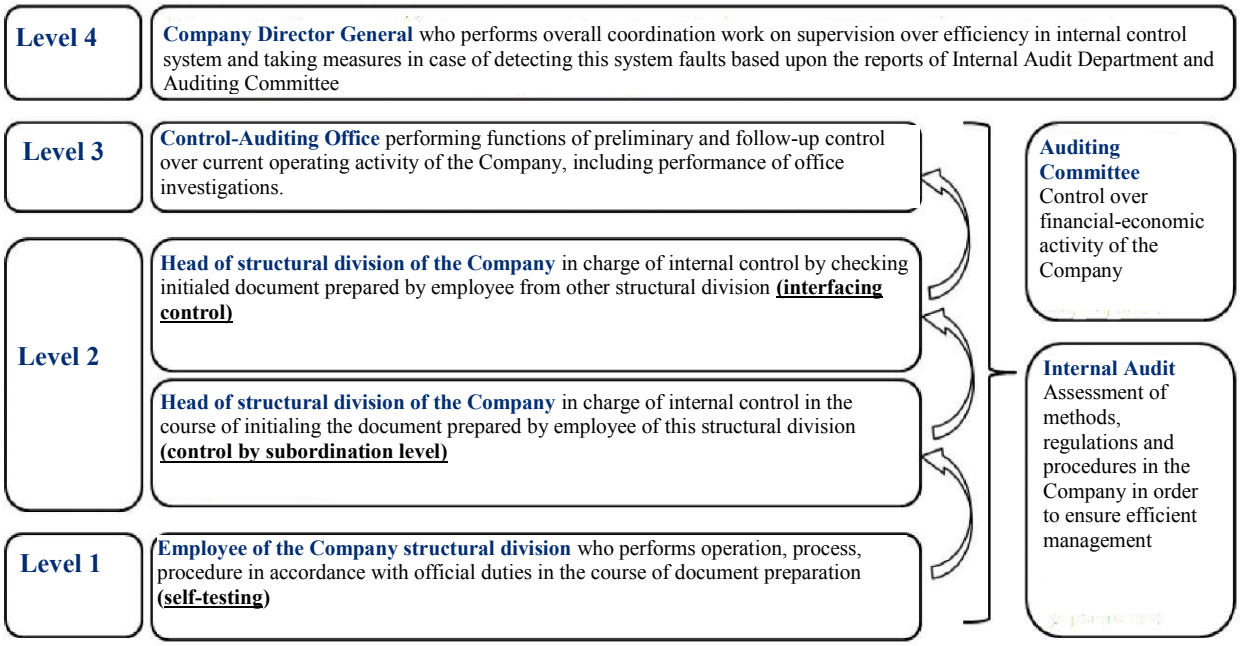
Besides in compliance with the requirements of the legislation in force, the Company provides civil liability insurance of the owner of hazardous object for causing damage resulting from accident occurrence on hazardous object; civil liability of the enterprises as sources of enhanced hazards (radiation) as well as insurance of risks in case of causing damage due to manufacturing defects which could affect safety of capital construction project.

8.2. Internal control

Internal control at RSC Energia is to provide reasonable confidence in the Company capability to ensure efficiency and effectiveness in its activity, including achievement of financial and operating indicators; safeguard of assets; timeliness and faithfulness of accounts, adherence to internal rules (by-laws) and procedures.

Internal control is a permanent, continual process being implemented by all Company employees (self-testing, control by subordination level, interfacing control), key management bodies of the Company and separate organizational departments in accordance with authority given to them and stated in constituent and internal documents.

Algorithm for internal control implementation in the Company



Multilevel internal control system ensures reliability and faithfulness of records; compliance with the legislation requirements; safety of assets, as well as facilitates making good progress and efficiency in the Company operation.

Control-Auditing Office of the Company is part of internal control system; from August 2018 the Control-Auditing Office is accountable to Deputy Director General for security and performs its activity as per his instructions.

Major objectives of the Control-Auditing Office are:

- preliminary consideration of the documents by which civil-legal transactions effected by the Company and its subsidiaries are finalized;
- assessment of trustworthiness of potential counterparts based upon the documents provided by the counterparts and data from dedicated information-analytical databases;
- management and conduct of activity aimed to prevent and counteract corruption;
- development and implementation of the measures to reveal unlawful activity which causes or may cause damage to the Company's and its subsidiaries' interest, including office checks and giving assistance to law-enforcement bodies.

The existing system of control over the Company financial-economic activity is to ensure investors' confidence in the Company and its managerial bodies. Control like that is aimed to protect the shareholders' investments and Company assets.

8.3. Internal audit

Internal Audit Department (subsequently referred to as the IAD) is a structural subdivision operating independently of the Company executive body whose activity is under direct control of the Company Board of Directors.

The IAD activity is governed by the Internal Audit Department Regulations approved by the Board of Directors' decision (Board of Directors Minutes No 11 of 30.01.2017).

Chief internal auditor carries out management of IAD.

Chief internal auditor is functionally subordinate to the Company Board of Directors and cooperates with the Company Board of Directors Audit Committee (further referred to as the

Audit Committee) during performance of his official duties. In order to optimize the management process, the Company Director General carries out administrative management of the Chief internal auditor.

In accordance with the Internal Audit Department Regulations, the first concern of the IAD is to ensure an independent impartial audit and making recommendations to increase efficiency in the Company operation at the expense of a unified, systematized and consistent approach to an assessment and improved efficiency in internal control, risk and corporate governance.

In accordance with the primary goal, IAD performs the following functions:

- assessment of the internal control system efficiency of the Company, its subsidiary and affiliated companies (subsequently referred to as the SAC), making recommendations on the assessment results. Assessment is made according the following directions:
  - efficiency and effectiveness of financial-economic activity;
  - safeguard of assets;
  - faithful presentation of accounts (both external and internal);
  - compliance with the legislation requirements and the corporate statutory acts (CSA).
- appraisal and making recommendation on the results of risk management system efficiency assessment relative to:
  - revealed existing risks and potential of arising new types of risks;
  - correct risks assessment;
  - efficiency of actions undertaken to manage risks;
  - reporting on major risks status and actions taken for their control.
- assessment of corporate governance systems existing in the Company, as well as security and efficiency of information systems (IT audits); making recommendations on the results of the enhanced efficiency assessment.
- check of the earlier detected faults removal for its completeness, quality and timeliness and implementation of the measures aimed to enhance efficiency of business processes.
- development, adoption and continual improvement of internal audit concept; common methodology of internal audit.

8.4. Information about the Company Auditing Committee

Auditing Committee is elected every year at Annual General Shareholders' Meeting of the Company and carries out control over RSC Energia financial-economic activity.

Major objectives set by the Auditing Committee are:

- inspection of the Company financial documentation, bookkeeping reporting, property inventory reports, comparison of the above documents with primary accounting data;
- checking the accuracy and completeness of bookkeeping, fiscal accounting, cost accounting, statistics;
- verification of the accuracy in implementing profit-distribution decisions taken at RSC Energia over the accounting fiscal year;
- checking the accuracy of and promptitude in payments to the budget and off-budget funds;
- confirmation of the accuracy of data to be included in the Company Annual Report, the report on interested-party transactions; annual bookkeeping reporting, reports for taxation bodies, statistical bodies, bodies of state administration and control;
- analysis of the Company financial standing;
- checking of compliance with the legislation established procedure for effecting large deals and interested-party transactions;
- checking decisions taken by the Company managerial bodies on financial-economic activity for its compliance with the legislation in force, the Articles of Association and other bylaws of the Company.

8.5. Membership of RSC Energia Auditing Committee during the accounting year

Membership of RSC Energia Auditing Committee from 30.06.2018 up to now*:

1.	Rinat Faisovich Gabitov	Head of Economic Security and Corrupt Practices Counteraction Office at Economic Security Department, State Corporation ROSCOSMOS
2.	Aslan Mukhamedovich Dyshekov	Chief Specialist of Economic Security Office at Economic Security Department, State Corporation ROSCOSMOS
3.	Alexandr Alexeevich Zelepukin	Head of Office Checks Management Office at Economic Security Department, State Corporation ROSCOSMOS
4.	Denis Valerievich Zinkovskiy	Chief Specialist of Checks Management Office at Economic Security Department, State Corporation ROSCOSMOS
5.	Vasily Borisovich Goroschenko	Chief Specialist of Economic Security Office at Economic Security Department, State Corporation ROSCOSMOS
6.	Oleg Yurievich Mamayev	Chief Specialist of Economic Security and Corrupt Practices Counteraction Office at Economic Security Department, State Corporation ROSCOSMOS
7.	Yekaterina Pavlovna Polezhaeva	General Counsel, RSC Energia
8.	Andrey Vladislavovich Rebrina	Director of State Secret and Information Security Department, State Corporation ROSCOSMOS
9.	Sergei Nikolayevich Rylov	Manager of Corporate Governance and Property Complex Department, State Corporation ROSCOSMOS

* Positions of the Company Auditing Committee members are presented as of 31.12.2018

Membership of RSC Energia Auditing Committee from 24.06.2017 through 30.06.2018**:

1.	Dmitry Gennadievich Ansimov	General Director, OOO Neft-Servis
2.	Andrey Vladimirovich Ardeev	Head of Corporate Governance Department, ZAO Lider
3.	Konstantin Vladimirovich Vakulin	Chief Auditor, ZAO Lider
4.	Vladimir Pavlovich Gerasimenko	Deputy Director, Department for cooperation with bodies of state power; deputy Director, Corporate Governance Department, State Corporation ROSCOSMOS (till 09.2017)
5.	Vasily Borisovich Goroschenko	Chief specialist, Economic Security Department of State Corporation ROSCOSMOS Economic Security Office
6.	Ilnur Marsovich Murakayev	Deputy Director for Corporate Governance and Auditing, FSUE Organization Agat
7.	Yekaterina Pavlovna Polezhaeva	General Counsel, RSC Energia
8.	Andrey Vladislavovich Rebrina	Director of State Secret and Information Security, State Corporation ROSCOSMOS
9.	Alexandr Anatolievich Sapunkov	General Director, AO Federal Center for Geoecological Systems

* Positions of the Company Auditing Committee members are presented as of 30.06.2018

8.6. Remuneration paid to the Auditing Committee members in 2018

The 06.07.2013 Annual General Shareholders' Meeting approved the Provision on Remuneration and Compensations to be paid to RSC Energia Auditing Committee members, according to which remuneration to the Auditing Committee members is to be paid by the results of accounting fiscal year and by resolution passed by the Company General Shareholders' Meeting once a year.

Auditing Committee members are to be remunerated by the results of accounting fiscal year for their taking part in the Auditing Committee activity concerning inspections of annual financial-economic activity in the Company, as well as for their participation in unscheduled audits carried

out on the Auditing Committee's initiative, by resolution adopted at General Shareholders' Meeting, Board of Directors, at the request of the shareholder who holds in the aggregate at least 10% of the Company voting stock.

Size of remuneration to the member of the Auditing Committee is calculated from ten salaries of Class 1 for payment for work under the List of managers, specialists, officials and workers positions at RSC Energia with respect to grades of payment for labour (base amount).

Size of remuneration calculated according to the Regulations will be decreased by 10% for each meeting at which the Auditing Committee member was not present. Size of remuneration calculated according to the Regulations will increase by 10% for each meeting devoted to unscheduled check, but not higher than 50% of the base amount for each unscheduled check.

If the Auditing Committee member did not take part in more than 50% of the annual inspection meetings held (from the time of his election till termination of his powers) or in more than 50% of the meetings devoted to unscheduled checks, remuneration for participation in respective inspection shall not be calculated and paid.

Remuneration to be paid to the Auditing Committee Chairman will increase by 15%.

Calculations were made 2 periods: form January till June 2017 (for the AC members elected on 25.06.2016; from July till December 2017 (for the AC members elected on 24.06.2017).

Remuneration shall be paid within 3 months following the date of holding the Company General Shareholders' Meeting which resolved to pay remuneration, provided that the Auditing Committee member submits to the Company all the documents required for payment of cash.

Remuneration to Company Auditing Committee members who come within the Federal Law stipulating restriction or ban on any payments to be received from commercial organizations, shall be neither calculated, nor paid.

For the accounting period, no other granting of property has been made to the Auditing Committee members, except for the payments effected under the labour agreements concluded with RSC Energia's regular staff.

On 30.06.2018 the annual General Shareholders' Meeting was held at which amendments to the Provisions on remuneration and compensations to be paid to the Auditing Committee members were approved; the above amendments reflected changes in the Company and Chief Executive Officer names, as well as clarified the procedure for remuneration calculation and payment and the Auditing Committee member's right to refuse to be remunerated.

Also the same annual General Shareholders' Meeting resolved that remuneration by the results of work performance should be paid to RSC Energia's Auditing Committee members according to RSC Energia's Board of Directors recommendations and calculations established by RC Energia Bylaws (with due regard for refusal to be remunerated by the 2017 performance on the part of some members of the Auditing Committee), for the total amount of 86,4 thousand rubles distributing it as follows;

A.V. Ardeev - 43,2 thousand rubles
K.V. Vakulin - 43,2 thousand rubles

Within the fixed period of time, remuneration totaling 86,4 thousand rubles was paid completely.

9. ADDITIONAL INFORMATION

9.1. Information about the Company's auditor

Full firm's name: Joint stock company BDO Unicon
Shortened firm's name: AO BDO Unicon
Place of business: 125 Varshavskoye shosse, blg 1/11, office 50, Moscow, 117587.
Mailing address: BC Preo-8, 8 Preobrazhenskaya ploschad, Moscow, 123610
TIN: 7716021332
MSRN: 1037739271701
Telephone: (495) 797-5665
Fax: (495) 797-5660
E-mail address: E-mail: reception@bdo.ru
Web: www.bdo.ru

Data on the auditor's membership in self-regulating auditing organizations:
Full name: Professional Auditors Association Non-commercial partnership «Auditor's Chamber of Russia»
Information about license for work associated with state secret:
License number: GT № 0095218
Registration number: 29937 of 05.05.2017
Issued by Russian Federation Security Service Administration of Moscow and Moscow Region.
Term of license validity: till 15.02.2022.

9.2. Information about the organization keeping records of the rights to the Company outstanding securities

Person who maintains the register of the Issuer registered securities holders: Registrar
Full firm's name of the Registrar: Joint stock company «Specialized Registrar – Holder of the Gas Industry Shareholders' Register», branch of ZAO AO Draga in Korolev.
Shortened firm's name: AO Draga (branch of AO Draga in Korolev)
Place of business: 71/32 Novocheryomushkinskaya Street, Moscow, Russia, 117420
Branch address: 4A Tsiolkovsky Street, Korolev city, Moscow Region, Russia, 141070
Tel.: (495) 513-88-54
Fax: (495) 513-88-53
License number: 045-13996-000001
Date of issuing license: 26.12.2003
License term of validity: unlimited

9.3. Glossary

Abbreviations and acronyms used in the Annual Report

Abbreviation	Meaning
DLR	German Aerospace Center (Deutsches Zentrum für Luft- und Raumfahrt)
ESA	European Space Agency
NASA	National Aeronautics and Space Administration
USOS	United States Orbital Segment
AWS	Automated workstation
WCS	Waste Collection System
ACS MP	Automated control system for manufacturing processes
ORS	On-board Radio System
RV	Reentry vehicle
OCE CS CC	Computer Complex of the System for Communication with the On-board Computer Equipment
AGSM	Annual General Shareholders' Meeting
CC	Cargo Compartment
SAC	Subsidiaries and Affiliates
ERS	Earth Remote Sensing
VHI	Voluntary Health Insurance
SC	Spacecraft
DD	Design Documentation
CGC	Corporate governance code
KPI	Key Performance Indicators
SRC	Space Rocket Complex
SE	Space Experiment
MRM	Mini Research Module
ISS	International space station
MLM	Multipurpose Laboratory Module
MLM-U	Multipurpose Laboratory Module with Upgraded Performance
R&D	Research and Development
AR	Applied Research
SPM	Science and Power Module
JAD	Internal Audit Department
DE	Development Effort
MCOP	Man-tended Circumlunar Orbital Platform
IDP	Innovative Development Program
MSS	Manned Space System
CTS	Crew Transportation Spacecraft
US	Upper Stage
LV	Launch Vehicle
SHLV	Super Heavy Launch Vehicle
ROS	Russian Orbital Station
RS	Russian Segment
DV	Descent Vehicles
LES	Launch Escape System
OMS	On-board measurement system

PF	Processing Facility
BOD	Board of Directors
REMS	Radiation Environment Monitoring System
SM	Service Module
QMS	Quality Management System
TCS	Thermal Control System
RCS	Real-time Control System
SHC	Super Heavy Class
PS	Proprietary standard
FS	Factory Standard
RS	Relay Satellite
SRO	Self-Regulatory Organization
R&D CP	Constituent part of Research and Development effort
OECS	On-board equipment control system
GCNS	Guidance Control and Navigation Subsystem
SOW	Statement of Work
CTS	Cargo Transportation Spacecraft
TM	Transformable Module
CTS	Cargo Transportation Spacecraft
NM	Node Module
FGB	Functional Cargo Block
FSP	Federal Space Program
ALM	Airlock Module
EPE	Electric Propulsion Engine

Units of measurement used in the Annual Report

^{0}C	Degree of Celsius
y	Year
Gcal	gigacalorie
u	Unit
kW	kilowatt
kg	kilogram
kgf/cm^2	kilogram-force per square centimeter
m^2	square meter
m^3	cubic meter
mln	million
mm	millimeter
bn	billion
MPa	Megapascal
RUB	Russian Ruble
t	ton
k	thousand
p	persons

10. APPENDICES

Appendix 1 / Financial Statements and Audit Report on Reliability of Financial Statements over the Accounting and Previous Years

The Financial Statements and Audit Report on reliability of Financial Statements over the accounting and previous years can be found in a separate book «Financial Statements of S.P. Korolev Rocket and Space Public Corporation Energia for 2018 and 2017».

Appendix 2 / Information about state backing of RSC Energia activities in the accounting year, including the data on subsidies granted, purpose of their use; information about application of the funds at the accounting year-end

As per Agreement "On granting the subsidy from the Federal budget to support RSC Energia conducting property insurance against risks during spacecraft launches and flight tests', in order to compensate for the costs associated with implementation of the decision No KI-441-r dated 01.09.2017 on insurance against the risks during launch of space rocket carried by launch vehicle Soyuz-2-1a, assembly protective block with cargo transportation spacecraft Progress MS-07 and docking of cargo transportation spacecraft Progress MS-07 with International Space Station (Decision on granting the Subsidy No Ki-646-r of 01.12.2017), the subsidy totaling 43 448 130,13 rubles was allocated from the Federal budget in 2018.

The above money was directed to financial-economic activity.

Item No	Project, purpose of use	Source of funds	Amount of finance in 2018 (thousand rubles)	Application of funds in 2018 (thousand rubles)
1.*	Allocating a grant to implement research project "Study of principles and development of methods of autonomous motion control of space platforms cluster with rotating solar sails".	Federal State Budgetary Agency "Russian Basic Research Fund" (FGBU RFFI)	700,00	700,00
2.*	Allocating a grant to implement research project "Development and study of the principles of applying the method of mobile cellular automatic devices to the task of designing adaptive algorithms controlling motion of space-based autonomous vehicles flight"	Federal State Budgetary Agency "Russian Basic Research Fund" (FGBU RFFI)	700,0	700,0
	Total:		1 400,0	1 400,0

*Under the projects supported by FGBU RFF, Grantee is a natural person, team of natural persons (research workers, postgraduate students, students, research organization specialists and scientific service officials who joined their efforts to submit research project to the Contest) who were awarded the Fund's grant by the Contest results. Under the above projects, the Company creates conditions of research project implementation; receives to its account funds (grant) made available by the Fund by the Contest results in the Grantee's favour; makes settlements in accordance with the Grantee's instructions.

Appendix 3 / Information about the resolutions passed at General Shareholders' Meetings, Board of Directors' Meetings and meetings of the ad hoc Committees at the Board of Directors

INFORMATION ABOUT GENERAL SHAREHOLDERS' MEETINGS HELD

Extraordinary General Shareholders' Meeting held on 19.03.2018
(Minutes No 32 of 20.03.2018)

Items on the agenda	Resolution passed
On increased Charter capital of RSC Energia	Increased Charter capital of S.P. Korolev Rocket and Space Public Corporation Energia by placement of additional certified registered common stock (further referred to as the Stock) on the following terms: a) Number of the Stock to be placed: 128 000 (one hundred twenty eight thousand) certified registered common stock. b) Nominal value of each share of stock: 1000 (one thousand) rubles. c) Method of the Stock placement: closed subscription. d) Price of the Stock placement: price of one share placement (including exercising priority right to acquire additional stock to be placed) will be determined by RSC Energia's Board of Directors in accordance with Art. 77 of Federal Law No 208-FZ "On Joint Stock Companies" dated 26.12.1995 no later than right from the start of the Stock placement. e) Method of payment of the Stock to be placed: payment of additionally issued Stock is to be made by funds in the Russian Federation rubles as non-cash transaction. f) Circle of persons among which the Stock are supposed to be placed (circle of potential acquirers) : - Russian Federation in the person of State Space Corporation ROSCOSMOS, MSRN 1157700012502; - Russian Federation in the person of Federal Property Management Agency, MSRN 1087746829994. g) Rights provided by this kind of Stock, their category (type) in case of their being placed, are in accordance with the rights provided by the earlier placed stock of the same category (type) in compliance with the Articles of Association of RSC Energia and the Russian Federation legislation. i) Other terms of additional Stock placement according to the legislation in force shall be determined by the Decision on extra issue of securities to be approved by the Board of Directors resolution. 2. By the results of the Stock placement introduce into RSC Energia's Articles of Association the amendments associated with the increased number of placed uncertified registered common stock and size of RSC Energia's Charter capital, as well as the decreased number of the authorized uncertified registered common stock.
On granting consent to effect interested party transaction.	Give consent to effect interested-party transactions: Intercreditor agreement (further referred to as the Transaction) between RSC Energia, ZAO ZEM RSC Energia, OOO Energia Logistics, Energia Logistics Ltd., Sea Launch ACS Ltd., Platform Company LDC, Sea Launch Sàrl (further referred to jointly as the Creditors) and the Sea Launch SA company (further referred to as the Debtor) on the following basic terms: 1. Purpose of the Transaction is to avoid the Debtor's bankruptcy; to effect purchase and sale transaction relative to the Debtor-owned Sea Launch Complex assets in condition suitable for its operational use as intended, to a legal person capable of continuing that operational use, as well as a partial satisfaction of the Creditors' claims. 2. Subject of the Transaction: 2.1. Define terms for the Creditors with respect to the claims for the Debtor arising from the following liabilities: a) to RSC Energia acquired as the result of RSC Energia entering into cession contract (or agreement on compensation with OOO Energia Logistics: no more than 7,2 billion rubles. b) to ZAO ZEM RSC Energia concerning the granted loans and accrued interest, with due regard for the amount of interest under the loan agreements being charged

	on the date of making the Transaction: a total of no more than 4,77 billion rubles. c) to Energia Logistics Ltd., based upon the Agreement on provision of services between Sea Launch SA and Energia Logistics Ltd.: no more than 0,62 billion rubles. d) to Sea Launch Sàrl for the granted loans and accrued interest, with due regard for the amount of interest under the loan agreements being charged on the date of making the Transaction: no more than 2,1 billion rubles. 2.2. Establish procedure to allocate the Debtor's funds to be received as the result of making the transaction for the Sea Launch Complex assets sale (taking into account that purchase price of the Complex assets is 6,28 billion rubles). 3. Terms for the Creditors with respect to the claims specified for the Debtor and the procedure to allocate funds to be received by the Debtor as the result of making the transaction for the Sea Launch Complex assets sale: the Creditors agree to change the terms of the claims made for the Debtor, in order to help the Debtor avoid the bankruptcy and correct its problematic balance-sheet structure with the aim to ensure at least partial fulfilment of the Debtor's liabilities to them to the extent possible. The Creditors agree not to submit claims to the Debtor separately from each other, partially or in full scope. They agree to achieve the fulfilment jointly and severally in accordance with the procedure established in the Agreement. The Creditors agree that the above fulfilment by the Debtor of its liabilities to them will not take place until the Debtor under the Creditors' control has sold the Sea Launch Complex assets available under the terms making it possible to get a maximum price for them. The funds resulting from making the transaction on the sale of the Sea Launch Complex assets will be allocated as follows: first of all, the funds received by the Debtor shall be used to pay back debts to foreign (external) creditors (not affiliated with RSC Energia); secondly, the amounts for payment of the Debtor's and Energia Logistics Ltd. winding-up costs (no more than 1,3 million US dollars for Energia Logistics Ltd. and no more 1,0 million US dollars for Sea Launch SA) are foreseen and withheld; The rest of the funds received shall be allocated among the Creditors in proportion to amounts of the Debtor's liabilities to the Creditors as a partial fulfilment of the Debtor's liabilities to them; that part of the Debtor's liabilities to the Creditors which is unfulfilled due to shortage of the cash received as the result of making the transaction on the assets sale is regarded discharged, i.e. a partial remission of the debt will take place, irrevocable waiver by the Creditors with respect to the Debtor. This remission of the debt is performed not to recompense the Debtor, rather it is aimed at ensuring at least its partial solvency. 4. Size of the Transaction is no more than 15 (fifteen) billion rubles and is defined as a total amount of the Debtor's liabilities to the Creditors to be settled as the result of making the Transaction via: - a partial receipt of the funds from the Debtor by the Creditors in the order foreseen in para 3 of this decision; - a partial remission of the Debtor's debt by the Creditors and also in the order foreseen in para 3 of this decision. Amount of RSC Energia's liabilities to be discharged as the result of making the Transaction will be no more than 7 (seven) billion rubles, including proper performance of the liabilities in the range between 2 (two) billion rubles and 3 (three) billion rubles, remission of the debt: no more than 5 (five) billion rubles. 5. Time of coming the Transaction into force is meant to occur simultaneously with successful closing of the purchase and sale transaction with respect to the Sea Launch Complex assets on the Date of the transaction closing (which is defined by the above purchase and sale contract). If the purchase and sale contract for the Sea Launch Complex assets is repudiated, cancelled, annulled or otherwise declared null and void, the Transaction will be immediately cancelled and cease its validity. 6. Applicable law – the Transaction (including its implementation procedure) is regulated and interpreted in accordance with substantive law practiced in Switzerland. Note: This transaction for RSC Energia is the interested-party transaction, because: - State Corporation ROSCOSMOS is the holding company of AO URSC which, in its turn, is the holding company for the companies, parties to the transaction: RSC Energia (direct control) and ZAO ZEM RSC Energia, OOO Energia-Logistics,

	Energia Logistics Ltd., Sea Launch ACS Ltd., Platform Company LDC, Sea Launch Sàrl, Sea Launch SA (indirect control); - Management Board members of RSC Energia P.V. Vinokurov, Y.A. Yermakov, Y.A. Mikrin are the Management Board members of ZAO ZEM RSC Energia; the Management Board member I.Y. Maltsev is Director General, the Chairman of the Management Board of ZAO ZEM RSC Energia; - Director General, Board of Directors' member of RSC Energia V.L. Solntsev and the Management Board member P.V. Vinokurov are the Board of Directors' members of Sea Launch SA.

30.06.2018 Annual General Shareholders' Meeting (Minutes No 33 of 02.07.2018)

Items on the agenda	Resolutions passed
Approval of RSC Energia's Annual Report for 2017	Approve RSC Energia's Annual Report for 2017
Approval of RSC Energia's Annual Financial Statements for 2017	Approve RSC Energia's Annual Financial Statements for 2017
On RSC Energia's profit and loss distribution by the 2017 performance	3.1. Approve the Board of Directors' proposals for RSC Energia's net profit distribution by its 2017 performance: Direct to the Reserve Fund 168 560,1 thousand rubles (13,6769% of net profit) which amounts to 15% of RSC Energia Charter capital (thus, the Reserve Fund will be created in full). 3.2. Approve the Board of Directors' proposals for RSC Energia's net profit distribution by the 2017 performance: Allocate 2 891,4 thousand rubles to remunerate the Board of Directors members and 86,4 thousand rubles to pay remuneration to the Auditing Committee members (all in all, 2 977,8 thousand rubles or 0,2416% of the net profit, with due regard for refusals to be remunerated expressed by some members of the Board of Directors and Auditing Committee); 3.3. Approve the Board of Directors' proposals for RSC Energia's net profit distribution by the 2017 performance: Leave 1 060 899 625 rubles at RSC Energia disposal. 3.4. Approve the Board of Directors' recommendation on RSC Energia's net profit distribution by the 2017 performance: Not to direct the funds for dividend payouts.
On payment of remuneration for work in the Board of Directors of RSC Energia.	Pay remuneration by the 2017 performance calculated under the procedure established by RSC Energia's Bylaws to its Board of Directors' members (with due regard for refusal to be remunerated by the 2017 performance of the Board of Directors members: Yu.V. Vlasov, T.L. Yelfimova, A.N. Ivanov, Y.D. Karutina (Tormozova), I.A. Komarov, S.K. Krikalev, O.V. Lobanov, A.A. Medvedev, M.V. Petrov, S.V. Saveliev) in the amount totaling 2 891,4 thousand rubles which distributed as follows: A.A. Gavrilenko - 868,0 thousand rubles; S.A. Nikitin - 1 047.4 thousand rubles; A.V. Nuzhdov - 976,0 thousand rubles;
On payment of remuneration for work as the Auditing Committee member of RSC Energia	Pay remuneration by the 2017 performance size of which is recommended by the Board of Directors and calculated under the procedure established by RSC Energia's Bylaws, to the Auditing Committee members at RSC Energia (with due regard for refusal to be remunerated by the 2017 performance of the Auditing Committee members A.I. Vyaznik, V.B. Goroschenko, A.A. Zelepukin, V.V. Kardanov, M.Yu. Kisileva, A.B. Kosenko, I.M. Murakayev, Y.P. Polezhaeva, A.V. Rebrina, Y.B. Sokolova) in the amount totaling 86,4 thousand rubles which distributed as follows: A.V. Ardeev 43,2 thousand rubles; K.V. Vakulin 43,2 thousand rubles;
Approval of RSC Energia auditor for 2018	Approve RSC Energia auditor for 2018, AO BDO Unicon, the winner of open tender for the right to enter into a contract for provision of audit services with respect to annual Financial Statements by RAS, as well as audit of consolidated Financial Statement by IAS at RSC Energia.

Election of RSC Energia Board of Directors members	Elect the Company Board of Directors members (by cumulative voting): 1. Alla Aleksandrovna Vuchkovich 3. Tatiana Leonidovna Yelfimova 3. Anton Sergeevich Zhiganov 4. Yekaterina Dmitrievna Karutina 5. Igor Anatolievich Komarov 6. Sergei Konstantinovich Krikalev 7. Svetlana Vyacheslavovna Kukina 8. Vladimir Vladimirovich Meshkov 9. Konstantin Vladimirovich Romanov 9. Sergey Valentinovich Saveliev 10. Vladimir Lvovich Solntsev
Election of RSC Energia Auditing Committee members:	Elect the Company Auditing Committee members (by voting): 1. Rinat Faisovich Gabitov 2. Vasily Borisovich Goroschenko 3. Aslan Mukhamedovich Dyshekov 4. Denis Valerianovich Zinkovskiy 5. Alexandr Alexeyevich Zelepukin 6. Oleg Yurievich Mamayev 7. Yekaterina Pavlovna Polezhaeva 8. Andrey Vladislavovich Rebrina 9. Sergei Nikolayevich Rylov
On introduction of amendments to RSC Energia Articles of Association	Approve the following amendments to RSC Energia Articles of Association: "Change numbering of the existing subpara 2.27 of para 2 of Article 6 for 2.29. Add new subparagraphs 2.27 and 2.28 to Paragraph 2 of Article 6; 2.27. Develop, manufacture, provide maintenance and distribution of ciphering devices, as well as information systems, telecommunication systems and complexes protected by means of ciphering devices. 2.28. Museums activity: - ensuring museum pieces storage; - ensuring access of people to museum pieces; - excursion service of Russian and foreign citizens on a commercial and charitable basis; - conduct of educational and enlightenment activity. 2.29. Other activities not interdicted by law.
On introduction of changes to the Provision on remuneration and compensations to be paid to RSC Energia Board of Directors members.	Approve the following changes proposed by the Board of Directors to the Provision on remuneration and compensations to be paid to RSC Energia Board of Directors members: State the document title in revised version: the Provision on remuneration and compensations to be paid to RSC Energia Board of Directors members. Paragraph 1.1 shall read as follows: 1.1. Provision on remuneration and compensations to be paid to RSC Energia Board of Directors members (further referred to as the Provision) was developed according to Federal Law "On Joint-Stock Companies", RSC Energia Articles of Association. In paragraph 1.2 replace OAO RSC Energia (further referred to as the Company) for RSC Energia (further referred to as the Company as well)". Paragraph 1.4 shall read as follows: "1.4. Remuneration shall not be calculated and paid to the Board of Directors member who are: - persons not entitled by Federal Law to take part on a paid basis in activity of commercial organization managerial bodies or subject to other restrictions on getting any payments from commercial organizations; - State Corporation ROSCOSMOS employees; - State Corporation ROSCOSMOS organizations employees; Remuneration shall not be calculated and paid to the Board of Directors member who simultaneously performs the functions of Chief Executive Officer (Director General) of the Company. Board of Directors member may refuse to be remunerated as per this Provision (as a whole or in part) via submittal of respective application to Director General

	of RSC Energia. Exclude para 1.5. Change numbering of para 1.6 for 1.5. Paragraph 2.1. shall read as follows: “2.1. Remuneration to the Board of Directors members shall be paid by the results of the accounting fiscal year as resolved at the General Shareholders’ Meeting regardless of net profit earned or not earned by the accounting year results. Accounting period for calculating remuneration for the Board of Directors members is calendar year (fiscal year coincides with calendar year).” Paragraph 2.6.1 shall read as follows: “2.6.1. Company Board of Directors member shall be reimbursed for expenses actually incurred and associated with his participation in the Company Board of Directors activities (travel to place of holding Board of Directors meeting, Board of Directors committee meeting; further referred to as the Meeting); Payment of per diem rates in the amount and in the order established for the Company Chief Executive Officer; (further-following the text)”. Paragraph 2.6.2 shall read as follows: “2.6.2. In order to compensate for his expenses, the Board of Directors member shall submit to the Company Board of Directors secretary a written application with attached original documents confirming these expenses, as well as data on the method and procedure of money transfer”. Throughout the entire text of the Provision, to change “the Company President” to “Company Director General”. Throughout the entire text of the Provision, to change “the Company Personnel Director” to “Deputy Director General for personnel, social policy and control-auditing activity”. Throughout the entire text of the Provision, to change the “Corporation” for “the Company”.
On introduction of changes to the Provision on remuneration and compensations to be paid to RSC Energia Auditing Committee members	Approve the following changes proposed by the Board of Directors to the Provision on remuneration and compensations to be paid to RSC Energia Auditing Committee members; State title of the document in a revised version: “Provision on remuneration and compensations to be paid to RSC Energia Auditing Committee members”. Para 1.1 shall read as follows: “1.1. Provision on remuneration and compensations to be paid to RSC Energia Auditing Committee members (further referred to as the Provision) were developed according to Federal Law “On Joint Stock Companies”, RSC Energia Articles of Association and establish the procedure for determining size and order of payment of remuneration and compensations to RSC Energia Auditing Committee members (further referred to as the Company)”. Para 1.3 shall read as follows: “1.3. Remuneration shall not be calculated and paid to the Auditing Committee members who are: - persons not entitled by Federal Law to take part on a paid basis in activity of commercial organization managerial bodies or subject to other restrictions on getting any payments from commercial organizations; - State Corporation ROSCOSMOS employees; - State Corporation ROSCOSMOS organizations employees”; Change numbering of para 1.4 for 1.5. Insert new para 1.4: “1.4. Auditing Committee member may refuse to be remunerated as stipulated by this Provision (in full or partially) via submittal of respective application to RSC Energia Director General. Delete the following item from para 3.5. “For reference: as of 10.04.2013 size of salary, Grade 1, as payment for work in the Company was 6600 (six thousand six hundred) rubles”. Throughout the entire text of the Provision replace “OAO RSC Energia” for “RSC Energia”. Throughout the entire text of the Provision replace “The Company President” for “The Company Director General”.

21.08.2018 extraordinary General Shareholders' Meeting (Minutes No 34 of 21.08.2018)

Items on the agenda	Resolutions passed
On early termination of the Company Board of Directors powers.	Ensure early termination of RSC Energia Board of Directors powers.
On election of the Company Board of Directors	Elect the Company Board of Directors members (by cumulative voting): 1. Lusine Borisovna Arutyunova 2. Nikita Vladimirovich Kazinsky 3. Sergei Konstantinovich Krikalev 4. Svetlana Vyacheslavovna Kukina 5. Vladimir Vladimirovich Meshkov 6. Konstantin Vladimirovich Romanov 7. Sergei Yurievich Romanov 8. Sergei Valentinovich Saveliev 9. Nikolai Nikolayevich Sevastiyanov 10. Oleg Petrovich Frolov 11. Mikhail Nikolayevich Khailov

12.09.2018 extraordinary General Shareholders' Meeting (Minutes No 35 of 13.09.2018)

Items on the agenda	Resolutions passed
On early termination of powers by the Chief Executive Officer (Director General) at RSC Energia.	Ensure early termination of powers by current Chief Executive Officer (Director General) of S.P. Korolev Rocket and Space Public Corporation Energia Vladimir Lvovich Solntsev.
On election of Chief Executive Officer (Director General) at RSC Energia.	Elect Sergei Yurievich Romanov as the chief executive officer (director general) of S.P. Korolev Rocket and Space Corporation Energia.

INFORMATION ABOUT THE BOARD OF DIRECTORS' MEETINGS HELD [2]

In 2018, 32 Board of Directors meetings were held in the Company, including 19 meetings of the Board of Directors elected on 24.06.2017; 6 meetings of the Board of Directors elected on 30.06.2018 and 7 meetings of the Board of Directors elected on 21.08.2018.

19.01.2018 Meeting as absentee voting (Minutes No 10 of 22.01.2018)

Items on the agenda	Resolutions passed
On interested party transaction.	1. Accept as per provisions set out in para 1, Art. 83 of FZ «On Joint Stock Companies» a request made by RSC Energia Board of Directors member T.L. Yelfimova for holding RSC Energia Board of Directors meeting to resolve the issue concerning consent to effecting interested-party transaction: supplementary agreement No 3 to the contract for performance of work on manufacture of SC (spacecraft) components between the Customer, RSC Energia, and the Contractor, ZAO ZEM RSC Energia, and consider this issue as part of this Board of Directors meeting.
	2. Determine a total approximate price (with due regard for the inserted amendments by Supplementary Agreement No 3) under the contract between the Customer, RSC Energia, and the Contractor, ZAO ZEM RSC Energia, for performance of work on manufacture of SC components which totals 283 559 920, 00 (two hundred eighty three million five hundred fifty nine thousand nine hundred twenty) rubles 00 copecks, VAT at the rate of 0%.
	3. Give consent to effecting the interested-party transaction – Supplementary Agreement No 3 to the contract between the Customer, RSC Energia, and the Contractor, ZAO ZEM RSC Energia, for performance of work on manufacture of SC components, which will add additional work milestones to Work Schedule (milestones NoNo 11-19 with work completion date in September 2018); in so doing, a total approximate price under the contract will increase up to 283 559 920, 00 (two hundred eighty three million five hundred fifty nine thousand nine hundred twenty) rubles 00 copecks, VAT at the rate of 0%. Information about transaction terms, as well as the person (persons) being its party (parties), beneficiary (beneficiaries) shall not be disclosed before making the transaction. Note: This transaction is the interested party transaction for RSC Energia, because AO URSC is the holding company for the companies – parties to the transaction: RSC Energia (direct control) and ZAO ZEM RSC Energia (indirect control), RSC Energia Management Board members P.V. Vinokurov, Y.A. Yermakov and Y.A. Mikrin are the Management Board members at ZAO ZEM RSC Energia, RSC Energia Management Board member I.Y. Maltsev is Director General, Chairman of the Management Board of ZAO ZEM RSC Energia.

24.01.2018 Meeting as absentee voting (Minutes No 11 of 26.01.2018)

Items on the agenda	Resolutions passed
On interested party transaction.	1. Accept as per provisions set out in para 1, Art. of 83 FZ «On Joint Stock Companies» a request made by RSC Energia Board of Directors member V.L. Solntsev for holding RSC Energia Board of Directors meeting to resolve the issue on consent to interested-party transaction: Supplementary Agreement No 2 to the contract of guarantee between the Surety, RSC Energia, and the Bank (Guarantor), Sberbank, for the Sea Launch SA company (the Principal, Beneficiary) and consider this issue as part of this Board of Directors meeting.
	2. Taking into account the earlier passed resolution (Minutes No 14 of 22.03.2017) on interested-party transaction approval – the contract of guarantee between the Surety, RSC Energia, and the Bank (Guarantor), Sberbank, for the Sea Launch SA company (the Principal, Beneficiary), to give consent to making amendments to the above contract finalized as Supplementary agreement No 2 with respect to the following terms:

[2] Information treated as confidential is not presented in the Annual Report.

	Validity of bank guarantees is from the date of the Contract indemnity conclusion till March 31, 2018. In the event that the Bank receives the document stipulated by the contract and satisfying its requirements, the Guarantor is empowered to extend the Limit period, including all the guarantees till June 30, 2018. Note: This transaction is the interested party transaction for RSC Energia, because the chief executive officer (Director General) and the Board of Directors member V.L. Solntsev, as well as the collective executive body (Management Board) member P.V. Vinokurov are at the same time the Sea Launch SA Board of Directors members (Beneficiaries).

26.01.2018 Meeting as absentee voting (Minutes No 12 of 29.01.2018)

Items on the agenda	Resolutions passed
1. Agreement of RSC Energia's Management Board nominees to be elected to SAC Board of Directors and Auditing Committees.	1. As per provisions of Article 28 (subpara 47, para 1) of RSC Energia Articles of Association, to agree upon the nominees proposed by RSC Energia Management Board for election to SAC board directors and auditing committees.
2. On RSC Energia Management Board membership.	2. Elect additionally Nikolai Ivanovich Chekin as advisor to Director General to RSC Energia Management Board.
3. On adhering to the requirements of the anticorrupt practices legislation and prevention of corruption and other offences in day-to-day activity.	3.1. Take note of information submitted about RSC Energia adhering to the requirements of anticorrupt practices legislation and prevention of corruption and other offences in day-to-day activity. 3.2. Consider it advisable to consider the issues concerning adhering to the requirements of anticorrupt practices at RSC Energia Board of Directors meetings once a quarter.

02.02.2018 Meeting as absentee voting (Minutes No 13 of 05.02.2018)

Items on the agenda	Resolutions passed
1. On bringing up the issue of an increase in the Charter capital of S.P. Korolev Rocket and Space Public Corporation Energia by placement of extra uncertified registered common stock at extraordinary General Shareholders Meeting of RSC Energia.	1.1. Bring up the issue of an increase in the Charter capital of RSC Energia by placement of extra uncertified registered common stock at extraordinary General Shareholders Meeting of RSC Energia. 1.2. Propose as per subpara 23, para 1 of Art. 28 of the Articles of Association, to extraordinary General Shareholders' Meeting of RSC Energia to take the following decisions: Increase the Charter capital of S.P. Korolev Rocket and Space Public Corporation Energia by placement of extra uncertified registered common stock (further referred to as the Stock) on the following terms: a) The number of the Stock to be placed: 128 000 (one hundred twenty eight thousand) certified registered common stock; b) nominal value of each share of Stock: 1000 (one thousand) rubles; c) method of the Stock placement: closed subscription; d) price of the Stock placement: price of the Stock share placement (including exercising priority right to acquire additional Stock being placed) will be determined by RSC Energia's Board of Directors in accordance with Art. 77 of Federal Law No 208-FZ «On Joint Stock Companies» dated 26.12.1995 no later than right from the start of the Stock placement. e) method of payment of the Stock to be placed: payment of extra issue Stock is to be made by funds in the Russian Federation rubles as non-cash transaction. f) circle of persons among which the Stock are supposed to be placed (circle of potential acquirers): - Russian Federation in the person of State Space Corporation ROSCOSMOS, MSRN 1157700012502, - Russian Federation in the person of Federal Property Management Agency, MSRN 1087746829994. g) rights provided by this kind of Stock, their category (type) in case of their being placed, are in accordance with the rights

	provided by the earlier placed stock of the same category (type) in compliance with the Articles of Association of RSC Energia and the Russian Federation legislation. i) other terms of extra Stock placement according to the legislation in force shall be determined by the Decision on additional issue of securities to be approved by the Board of Directors resolution. 1.3. By the results of the Stock placement, introduce into RSC Energia's Articles of Association the amendments associated with the increased number of the placed uncertified registered common stock and size of RSC Energia Charter capital, as well as the decreased member of the authorized uncertified registered common stock.
2. On calling of extraordinary General Shareholders' Meeting of RSC Energia.	2. Call extraordinary General Shareholders' Meeting of RSC Energia as absentee voting.
3. On fixing the date for the end of voting ballots receipt and mailing address to direct completed ballots.	3. Determine the date and time for the end of voting ballots receipt at extraordinary General Shareholders' Meeting of RSC Energia: March 19, 2018, 5:30 p.m. Moscow time. Mailing address for sending the completed bulletins: Russian Federation, Moscow Region, Korolev, 4A Lenin Street, 141070.
4. On fixing the date for drawing up the List of persons entitled to take part in extraordinary General Shareholders' Meeting of RSC Energia.	4. Determine the date on which the persons entitled to take part in extraordinary General Shareholders' Meeting of RSC Energia are identified (recorded): 22.02.2018.

13.02.2018 Meeting as absentee voting (Minutes No 14 of 15.02.2018)

Items on the agenda	Resolutions passed
On RSC Energia's waiver to have on lease land plot for capital construction at Vnukovo-3 airport.	Approve termination (including refusal to prolong) of the lease contract for land plot of 5,83 hectares with cadaster number 77:07:0016005:50 at the following address: Moscow, Borovskoye shosse, Vnukovo-3 airport (Lessee – RSC Energia; Lessor – Moscow Land Resource Department) by signing supplementary agreement to the lease contract for land plot No I-07-000091 of 14.10.2011.

15.02.2018 Meeting as absentee voting (Minutes No 15 of 16.02.2018)

Items on the agenda	Resolutions passed
1. On interested party transaction.	I. As per provisions of paragraphs 1, 4, Article 83 of Federal Law «On Joint Stock Companies», to accept the request from V.L. Solntsev, RSC Energia Board of Directors member, and bring up the issue on making the interested-party transaction – the Intercreditor agreement between RSC Energia, ZAO ZEM RSC Energia, OOO Energia-Logistics, Energia Logistics Ltd., Sea Launch ACS Ltd., Platform Company LDC, Sea Launch Sàrl (jointly referred to as the Creditors) and Sea Launch SA company (Debtor) for consideration of extraordinary General Shareholders Meeting of RSC Energia. Put the item "On consent to making of the interested-party transaction" on the agenda of the extraordinary General Shareholders Meeting. II. Determine that total ceiling amount of the Intercreditor agreement between the Creditors such as RSC Energia, ZAO ZEM RSC Energia, OOO Energia-Logistics, Energia Logistics Ltd., Sea Launch ACS Ltd., Platform Company LDC, Sea Launch Sàrl and the Debtor, Sea Launch SA, is no more than 15 (fifteen) billion rubles and is made up of size of the Debtor's liabilities to the following creditors: - RSC Energia: assumed as the result of RSC Energia entering into compensation agreement (or cession contract) with OOO Energia-Logistics for the amount of no more than 7,2 billion rubles; - ZAO ZEM RSC Energia: assumed by the granted loans and accrued interest, with due regard for amount of interest under the loan agreements to be charged on the date of the Intercreditor agreement conclusion, in the amount of no more than 4,77 billion rubles; - Energia Logistics Ltd.: based upon the Agreement on provision of services

	between Sea Launch SA and Energia Logistics Ltd. in the amount of no more than 0,62 billion rubles; - Sea Launch Sàrl: assumed by the granted loans and accrued interest, with due regard for amount of interest under the loan agreements to be charged on the date of the Intercreditor agreement conclusion, in the amount of no more than 2,1 billion rubles. Note: This transaction is the interested party transaction for RSC Energia, because: - State Corporation ROSCOSMOS is the holding company for AO URSC, which, in its turn, is the holding company for the parties to the transaction: RSC Energia (direct control) and ZAO ZEM RSC Energia, OOO Energia-Logistics, Energia Logistics Ltd., Sea Launch ACS Ltd., Platform Company LDC, Sea Launch Sàrl, Sea Launch SA (indirect control); - RSC Energia Management Board members P.V. Vinokurov, Y.A. Yermakov, Y.A. Mikrin are the Management Board members of ZAO ZEM RSC Energia, - RSC Energia Management Board member I.Y. Maltsev is Director General, Chairman of the Management Board of ZAO ZEM RSC Energia; - Director General, RSC Energia Board of Directors member V.L. Solntsev and RSC Energia Management Board member P.V. Vinokurov are the Board of Directors members of the Sea Launch SA. III. The following draft resolution is proposed to be placed for approval to extraordinary General Shareholders' Meeting: «Give consent to effecting the interested-party transaction - The Intercreditor agreement (further referred to as the Transaction) between RSC Energia, ZAO ZEM RSC Energia, OOO Energia-Logistics, Energia Logistics Ltd., Sea Launch ACS Ltd., Platform Company LDC, Sea Launch Sàrl (further jointly referred to as the Creditors) and Sea Launch SA (further referred to as Debtor) on the following basic terms: 1. Purpose of the Transaction is avoid the Debtor's bankruptcy; to effect purchase and sale transaction relative to the Debtor – owned Sea Launch Complex assets, in condition suitable for its operational use as intended, to a legal person capable of continuing this operational use, as well as a partial satisfaction of the Creditors' claims. 2. Subject of the Transaction: 2.1. Define terms for the Creditors with respect to the claims for the Debtor arising from the following liabilities: a) to RSC Energia acquired as the result of RSC Energia entering into cession contract (or agreement on compensation) with OOO Energia-Logistics: no more than 7,2 billion rubles; b) to ZAO ZEM RSC Energia concerning the granted loans and accrued interest, with due regard for the amount of interest under the loan agreements being charged on the date of making the Transaction: a total of no more than 4,77 billion rubles; c) to Energia Logistics Ltd., based upon the Agreement on provision of services between Sea Launch SA and Energia Logistics Ltd.: no more than 0,62 billion rubles; d) to Sea Launch Sàrl for the granted loans and accrued interest, with due regard for the amount of interest under the loan agreements being charged on the date of making the Transaction: no more than 2,1 billion rubles. 2.2. Establish procedure to allocate the Debtor's funds to be received as the result of making the transaction for the Sea Launch Complex assets sale (taking into account that the purchase price of the Complex assets is 6,28 billion rubles). 3. Terms for the Creditors with respect to the Claims specified for the Debtor and the procedure to allocate funds to be received by the Debtor as the result of making the transaction for the Sea Launch Complex assets sale: 3.1. The Creditors agree to change their terms of the Claims made for the Debtor in order to help the Debtor avoid the bankruptcy and correct its problematic balance-sheet structure with the aim to ensure at least a partial fulfilment of the Debtor's liabilities to them to the extent possible. 3.2. The Creditors agree not to submit claims to the Debtor separately from each other, partially or in full scope. They agree to achieve the fulfilment

	jointly and severally in accordance with the procedure established in the Agreement. 3.3. The Creditors agree that the above fulfilment by the Debtor of its liabilities to them will not occur until the Debtor under the Creditors' control has sold the Sea Launch Complex assets available under the terms making it possible to get a maximum price for them. 3.4. The funds resulting from making the transaction on the sale of the Sea Launch Complex assets will be allocated as follows: first of all, the funds received by the Debtor shall be used to pay back debts to foreign (external) creditors (not affiliated with RSC Energia); secondly, the amounts for payment of the Debtor's and Energia Logistics Ltd. winding-up costs (no more than 1,3 million US dollars for Energia Logistics Ltd. and no more than 1,0 million US dollars for Sea Launch SA) are foreseen and withheld; The rest of the funds received shall be allocated among the Creditors in proportion to amounts of the Debtor's liabilities to the Creditors as a partial fulfilment of the Debtor's liabilities to them; 3.5. That part of the Debtor's liabilities to the Creditors which remained unfulfilled due to shortage of the cash received as the result of making the transaction on the assets sale is regarded discharged, i.e. a partial remission of the debt will take place, irrevocable waiver by the Creditors with respect to the Debtor. This remission of the debt is performed not to recompense the Debtor, rather it is aimed at ensuring at least its partial solvency. 4. Size of the Transaction is no more than 15 (fifteen) billion rubles and is defined as a total amount of the Debtor's liabilities to the Creditors to be settled as the result of making the Transaction via: - a partial receipt of the funds from the Debtor by the Creditors under the procedure provided for in para 3 of this decision: - a partial remission of the Debtor's debt by the Creditors and also under the procedure foreseen in para 3 of this decision. Amount of RSC Energia's liabilities to be discharged as the result of making the Transaction will be no more than 7 (seven) billion rubles, including proper performance of the liabilities in the range between 2 (two) billion rubles and 3 (three) billion rubles, remission of the debt: no more than 5 billion rubles. 5. Time of coming the Transaction into force is meant to occur simultaneously with successful closing of the purchase and sale transaction with respect to the Sea Launch Complex assets on the Date of the transaction closing (which is defined by the above purchase and sale contract). If the purchase and sale contract for the Sea Launch Complex assets is repudiated, cancelled, annulled or otherwise declared null and void, the Transaction will be immediately cancelled and cease its validity. 6. Applicable law – the Transaction (including its implementation procedure) is regulated and interpreted in accordance with substantive law practiced in Switzerland. <u>Note:</u> This transaction is the interested-party transaction for RSC Energia, because: - State Corporation ROSCOSMOS is the holding company for AO URSC, which, in its turn, is the holding company for the companies as the parties to the transaction: RSC Energia (direct control) and ZAO ZEM RSC Energia, OOO Energia-Logistics, Energia Logistics Ltd., Sea Launch ACS Ltd., Platform Company LDC, Sea Launch Sàrl, Sea Launch SA (indirect control); - RSC Energia Management Board members P.V. Vinokurov, Y.A. Yermakov, Y.A. Mikrin are the Management Board members of ZAO ZEM RSC Energia, RSC Energia Management Board member I.Y. Maltsev is Director General, Chairman of the Management Board of ZAO ZEM RSC Energia; - Director General, the Board of Directors' member of RSC Energia V.L. Solntsev and RSC Energia Management Board member P.V. Vinokurov are the Board of Directors' members of the Sea Launch SA.
2. On approval of the agenda of	2. Approve the following agenda of RSC Energia extraordinary General

RSC Energia extraordinary General Shareholders' Meeting.	Shareholders' Meeting: 1. On increased Charter capital of RSC Energia. 2. On consent to effect the interested-party transaction.
3. On defining the List of information (materials) submitted to the shareholders during preparations for holding extraordinary General Shareholders' Meeting at RSC Energia.	3.1. Approve the List of information (materials) to be submitted to the shareholders during preparations for holding extraordinary General Shareholders' Meeting at RSC Energia. 3.2. Approve the procedure to submit information (materials) to the shareholders during preparations for holding extraordinary General Shareholders' Meeting at RSC Energia.
4. On approval: - form and text of voting ballots on the agenda items for extraordinary General Shareholders' Meeting at RSC Energia; - text of information leaflet to be sent with voting ballots; - draft decisions on the issues concerning agenda of extraordinary General Shareholders' Meeting at RSC Energia which are to be sent in electronic form by nominee shareholder entered in the Shareholders' Register; - procedure to inform the shareholders about forthcoming extraordinary General Shareholders' Meeting at RSC Energia	4. Approve: - form and text of voting ballots Nos 1-2 on the agenda items concerning extraordinary General Shareholders' Meeting at RSC Energia; - text of information leaflet to be sent (handed in) to the shareholders simultaneously with voting ballots by correspondence on the agenda items of extraordinary General Shareholders' Meeting at RSC Energia; - draft decisions on the agenda items for extraordinary General Shareholders' Meeting at RSC Energia which are to be sent in electronic form by nominee shareholder entered in the Shareholders' Register; - the procedure to inform the shareholders about holding extraordinary General Shareholders' Meeting at RSC Energia
5. On setting up Secretariat for extraordinary General Shareholders' Meeting	5. Set up Secretariat to finalize the results of extraordinary General Shareholders' Meeting at RSC Energia, including the following persons: - Galina Vladimirovna Piskareva, - Ilya Igorevich Dontsov.

19.02.2018 Meeting as absentee voting (Minutes No 16 of 22.02.2018)

Items on the agenda	Resolutions passed
1. Consideration of the proposals put forward by the shareholders as per Art.53 of Federal Law «On Joint Stock Companies»:	1.1. Accept from RSC Energia shareholders (AO URSC - the holder of 38,221 % of the voting stock and trust manager of 20,595% of the voting stock; AO AKB Tsentro-Kredit – the holder of 2,395% of the voting stock; OOO UK AGANA – the trust manager of 12,709% of the voting stock) proposals concerning the Agenda of the annual general shareholders' meeting at the Company; proposals for nominating the candidates to RSC Energia Board of Directors and Auditing Committee as satisfying the requirements set out in RSC Energia Articles of Association, Federal Law «On Joint Stock Companies» and other legal acts.
1.1. On putting the items on the agenda of annual General Shareholders' Meeting;	1.2. Put on the Agenda of annual General Shareholders' Meeting the following items put forward by RSC Energia shareholder, AO AKB Tsentro-Kredit: "On making amendments and supplements to the Article of Association"; «On making amendments and supplements to the Provision on the Company Board of Directors"; « On making amendments and supplements to the Provision on General Shareholders' Meeting».
1.2 On adding the shareholders – nominated candidates to the List of candidates for election to the Board of Directors of RSC Energia;	1.3. Include the following candidates put forward by RSC Energia shareholders (AO URSC - the holder of 38,221 % of the voting stock and trust manager of 20,595% of the voting stock; AO AKB Tsentro-Kredit – the holder of 2,395% of the voting stock; OOO UK AGANA - trust manager of 12,709% of the voting stock) to the List of candidates for voting during election to the Board of Directors at RSC Energia annual General Shareholders' Meeting: 1. Konstantin Alexandrovich Brizkun; 2. Sergei Alexandrovich Bushmakin; 3. Alla Aleksandrovna Vuchkovich; 4. Anatoly Anatolievich Gavrilenko;

	5. Tatiana Leonidovna Yelfimova; 6. Anton Sergeevich Zhiganov; 7. Yekaterina Dmitrievna Karutina; 8. Igor Anatolievich Komarov; 9. Sergei Konstantinovich Krikalev; 10. Svetlana Vyacheslavovna Kukina; 11. Yugeny Illich Logovinskiy; 12. Yugeny Ivanovich Maximenko; 13. Vladimir Vladimirovich Meshkov; 14. Sergei Alexandrovich Nikitin; 15. Alexei Viktorovich Nuzhdov; 16. Konstantin Vladimirovich Romanov; 17 Sergei Valentinovich Saveliev; 18. Vladimir Lvovich Solntsev
1.3. On adding the shareholders – nominated candidates to the List of candidates for election to RSC Energia Auditing Committee.	1.4. Include the following nominees proposed by RSC Energia shareholders (AO URSC - the holder of 38,221% of the voting stock and trust manager of 20,595% of the voting stock; AO AKB Tsentro-Kredit – the holder of 2,395% of the voting stock; OOO UK AGANA - trust manager of 12,709% of the voting stock) in the List of candidates for election to the Auditing Committee at annual general stockholders' meeting of RSC Energia: 1. Andrey Vladimirovich Ardeev; 2. Konstantin Vladimirovich Vakulin; 3. Dmitry Vladimirovich Vasiliev; 4. Rinat Faisovich Gabitov; 5. Vasily Borisovich Goroschenko; 6. Aslan Mukhamedovich Dyshekov; 7. Denis Valerievich Zinkovskiy; 8. Alexandr Alexeevich Zelepukin; 9. Oleg Yurievich Mamayev; 10. Yekaterina Pavlovna Polezhaeva; 11. Andrei Vladislavovich Rebrina 12. Sergei Nikolayevich Rylov

05.03.2018 Meeting as absentee voting (Minutes No 17 of 07.03.2018)

Items on the agenda	Resolutions passed
1. On liability insurance of RSC Energia directors and executive personnel.	**1.** Consider it advisable to effect insurance of responsible persons who are managerial body members/officials at RSC Energia, taking into account possible size of insurance premium: no more than 150 thousand US dollars per year.
2. On cases of claims for 2017 due to defects (failures) of complexes (systems) and articles caused by nonfulfiment of the customer's requirements and making RSC Energia executives and officials responsible for them. On RSC Energia QMS operation, maintenance of quality, reliability and safety of rocket-space technology.	2. Take note of information about the absence of claims in 2017 lodged by State customers against RSC Energia with respect to complexes (systems), products caused by nonfulfillment of the customer's requirements. Take note of the report on quality management system operation at RSC Energia in 2017.
3. On inquiries of auditor AO BDO Unicon with respect to IAS and RAS for 2017.	**3.** Approve Written clarification at the request made by auditor AO BDO Unicon with respect to RSC Energia's Financial Statements for 2017 prepared in accordance with IAS and RAS

16.03.2018 Meeting as absentee voting (Minutes No 18 of 19.03.2018)

Items on the agenda	Resolutions passed
On interested party transaction	**1**. Accept as per provisions set out in para 1. Art. 83 of FZ «On Joint Stock Companies» the request made by V.L. Solntsev, RSC Energia Board of Directors member for holding the Company Board of Directors meeting to resolve the issue on consent to interested-party transaction: contract between RSC Energia (Cessionary) and OOO Energia-Logistics (Cedent) for delegation of the claims to the Sea Launch SA Company (assignment contract) and consider this issue as part of this Board of Directors meeting.

	2. Determine price of property rights to be acquired under the assignment contract between RSC Energia (Cessionary) and OOO Energia-Logistics (Cedent) for delegation of the claims for the Sea Launch SA Company on the part of OOO Energia-Logistics of RSC Energia: no more than 9,3 billion rubles.
	3. Give consent to effecting the interested-party transaction – conclusion of the assignment contract between RSC Energia (Cessionary) and OOO Energia-Logistics (Cedent) for delegation of the claims to OOO Energia-Logistics of RSC Energia against the Sea Launch SA on the following basic terms: Liabilities to be assigned (in full or partially): 1) Claim lodged by OOO Energia-Logistics against the Sea Launch SA under Contract No SLAG-ELRF-13052 of 10.07.2013. Debt is 92 000 000 US dollars. 2) Claim under the loan agreement between Sea Launch SA and OOO Energia-Logistics No 2-2014 of 16.12.2014. The Principal is 322 million rubles and interest accrued till the date of the assignment contract conclusion (size of the accrued interest as of 31.01.2018 is 144,7 million rubles). 3) Claim under the loan agreement between the Sea Launch SA and OOO Energia-Logistics No 1-2015 of 10.04.2015. The Principal is 109,7 million rubles and interest accrued till the date of the assignment contract conclusion (size of the accrued interest as of 31.01.2018 is 46,7 million rubles). 4) Claim under the loan agreement between the Sea Launch SA and OOO Energia-Logistics No 2-2015 of 27.08.2015. The Principal is 923,8 million rubles and interest accrued till the date of the assignment contract conclusion (size of the accrued interest as of 31.01.2018 is 312,97 million rubles). 5) Claim under the loan agreement between the Sea Launch SA and OOO Energia-Logistics No 1-2016 of 15.03.2016. The Principal is 460,1 million rubles and interest accrued till the date of the assignment contract conclusion (size of the accrued interest as of 31.01.2018 – 114,1 million rubles). 6) Claim under the loan agreement between the Sea Launch SA and OOO Energia-Logistics No 3-2016 of 22.08.2016. The Principal is 545,76 million rubles and interest accrued till the date of the assignment contract conclusion (size of the accrued interest as of 31.01.2018 is 93,11 million rubles). 7) Claim under the loan agreement between the Sea Launch SA and OOO Energia-Logistics No 1-2017 of 14.03.2017. The Principal is 169,36 million rubles and interest accrued till the date of the assignment contract conclusion (size of the accrued interest as of 31.01.2018 is 16,4 million rubles). Price of the transaction is no more than 9,3 billion rubles. It is determined based upon the amount of the Principal by actually assigned liabilities and interest accrued to them till the date of the assignment contract conclusion. Counteraction will be repaid by offset of similar counterclaims lodged by RSC Energia for OOO Energia-Logistics. <u>Note:</u> This Transaction is regarded by RSC Energia as the interested-party transaction as State Corporation ROSCOSMOS is the holding company for AO URSC (direct control), which, in its turn, is the holding company for the parties to the transaction such as RSC Energia (direct control) and OOO Energia-Logistics (indirect control).

30.03.2018 Meeting as absentee voting (Minutes No 19 of 02.04.2018)

Items on the agenda	Resolutions passed
On introduction of the Procedure instructions on the use of the key performance indicators in	1.1. Put into effect the Procedure instructions on the use of the key performance indicators in State Corporation ROSCOSMOS and its

State Corporation ROSCOSMOS and its organization.	organization. 1.2. RSC Energia Director General shall ensure taking by ZAO ZEM RSC Energia (100% SAC of RSC Energia) the decision on putting into effect the Procedure instructions on the use of the key performance indicators in State Corporation ROSCOSMOS and its organization.

13.04.2018 Meeting as absentee voting (Minutes No 20 of 16.04.2018)

Items on the agenda	Resolutions passed
1. Consideration of the proposals to update the Regulations on remuneration payment to the Board of Directors and the Auditing Committee members.	1.1. Approve the changes to the Regulations on remuneration payment to the Board of Directors and the Auditing Committee members of RSC Energia. 1.2. As per subpara 31, para 1, Art.28 of RSC Energia Articles of Association, to propose RSC Energia Annual General Shareholders' Meeting to approve the above changes to the Regulations on remuneration payment to the Board of Directors and the Auditing Committee members of RSC Energia. 1.3. Approve the changes to the Regulations on remuneration payment to the Board of Directors and the Auditing Committee members of RSC Energia. 1.4. As per subpara 31, para 1, Art.28 of RSC Energia Articles of Association, propose to RSC Energia Annual General Shareholders' meeting to approve the above changes to the Regulations on remuneration payment to the Board of Directors and the Auditing Committee members of RSC Energia.
2. On tender to select auditor for RSC Energia in order to conduct IAS and RAS audit for 2018 2.1. On approval of the document on the procedure to conduct Tender for auditor selection for 2018.	2.1. As per subpara 28.1, para 1, Art. 28 of RSC Energia Articles of Association, approve the Provision on Tender Committee and procedure to conduct Tender for the right to enter into a contract for provision of auditing annual Financial Statements by RAS, as well as auditing consolidated Financial Statement by IAS at RSC Energia.
2.2. On approval of the Tender Committee membership for auditor selection for 2018.	2.2. As per subpara 28.2, para 1, Art. 28 of RSC Energia Articles of Association, to approve the Tender Committee membership in order to conduct the tender for auditor selection for 2018: 1. Vitaly Nikolayevich Yanevich – the Committee Chairman 2. Pavel Vyacheslavovich Vinokurov 3. Yulia Valerievna Vorobyova 4. Yulia Borisovna Yegorova 5. Pavel Vladimirovich Melentiev 6. Nina Valerievna Simakova 7. Tatiana Petrovna Fomina 8. Andrei Fauzy El Side 9. Anna Anatolievna Yukseeva – the Committee Secretary
3. On termination of RSC Energia's participation in AO NPK REKOD.	3. As per subpara 34, para 1, Art. 28 of RSC Energia Articles of Association, to approve termination of RSC Energia participation in AO NPK REKOD by effecting the purchase and sale transaction (Buyer is AO Corporation Kompomash) of 29 457 registered common shares of stock (which comes to 26,5697% of the total number of the stock placed) of AO NPK REKOD owned by RSC Energia, at the price of at least 29 457 000 (twenty nine million four hundred fifty seven thousand) rubles.

20.04.2018 Meeting as absentee voting (Minutes No 21 of 23.04.2018)

Items on the agenda	Resolutions passed
1. On auditor selection tender at RSC Energia for conducting audit by RAS and IAS for 2018: On approval of initial (maximum) price of auditor's services to conduct tender for Financial Statements auditor selection by RAS and IAS for 2018 at RSC Energia.	1. As per subpara 28.3, para 1, Art. 28 of RSC Energia Articles of Association, to approve initial (maximum) price of auditor's services to conduct tender for Financial Statements auditor selection by RAS and IAS for 2018, in the amount of 9 974 953,00 (nine million nine hundred seventy four thousand fifty three) rubles, including VAT at 18% totaling 1 521 603,00 (one million five hundred twenty one thousand six hundred and three) rubles.
2. Consideration of the report on Work Plan	2.1. As per subpara 55, para 1, Art. 28 of RSC Energia Articles of

fulfilment in 2017 by RSC Energia Internal Audit Department.	Association, to approve report prepared by the Company Internal Audit Department for 2017. 2.2. As per subpara 55, para 1, Art. 28 of RSC Energia Articles of Association, to agree upon the candidacy of Yulia Borisovna Yegorova for her appointment to the post of Chief Internal Auditor of RSC Energia.
3. Consideration of Work Plan prepared by RSC Energia Internal Audit Department for RSC Energia for 2018.	3. As per subpara 55, para 1, Art. 28 of RSC Energia Articles of Association, to approve the Work Plan for the Internal Audit Department for 2018
4. Consideration of the proposals to introduce changes to RSC Energia Articles of Association, the Provisions regulating operation of RSC Energia bodies.	4.1. As per subpara 21, para 1, Art.28 of RSC Energia Articles of Association, to recommend adoption of the following amendments to RSC Energia Articles of Association to Annual General Shareholders' Meeting of RSC Energia: "Change numbering of the existing subpara 2.27 of para 2 of Article 6 for 2.29. Add new subparagraphs 2.27 and 2.28 to Paragraph 2 of Article 6; 2.27. Development, manufacture, maintenance and distribution of ciphering facilities and information systems, telecommunication systems and complexes protected by means of ciphering facilities. 2.28. Museums activity: - ensuring storage of museum exhibits; - ensuring public access to museum pieces; - excursion service of Russian and foreign citizens on a commercial and charity basis; - conduct of educational and enlightenment activity. 4.2. Having reviewed the amendments to RSC Energia Articles of Association by the shareholder, AO Tsentro Kredit, the Board of Directors recommends RSC Energia shareholders to take decision at their discretion. 4.3. Having reviewed the amendments to RSC Energia Regulations on general meetings of the Company and the Provision on the Board of Directors proposed by the shareholder, AO Tsentro Kredit, the Board of Directors proposes to RSC Energia shareholders to take decision at their discretion.
5. Consideration of the contract for contribution to RSC Energia assets.	5. As per Article 32.2 of Federal Law «On Joint Stock Companies», to approve entering into the contract for making a contribution to RSC Energia assets by State Corporation ROSCOSMOS (RSC Energia shareholder). Contribution to be made is in the form of funds. Size of the contribution is 29 350 422 (twenty nine million three hundred fifty thousand four hundred twenty two) rubles.

27.04.2018 Meeting as absentee voting (Minutes No 22 of 28.04.2018)

Items on the agenda	Resolutions passed
On interested party transaction	1. Accept as per provisions set out in para 1, Art. 83 of FZ «On Joint Stock Companies», accept the request from RSC Energia Board of Directors member T.L.Yelfimova for holding the Company Board of Directors meeting to resolve the issue on consent to effect the interested-party transaction: supplementary agreements Nos 7 and 8 to the contract between RSC Energia and ZAO ZEM RSC Energia, as well as to consider this issue as part of this Board of Directors meeting.
	2. Under the contract between the Customer, RSC Energia, and the Contractor, ZAO ZEM RSC Energia, for performance of work on resupply of crew transportation spacecraft Soyuz with personal equipment for foreign astronauts: Determine a total approximate price under supplementary agreement No 7 to the contract in the amount of 257 882 064,00 (twenty fifty seven million eight hundred eighty two thousand sixty four)) rubles 00 copecks; Determine a total approximate price under supplementary agreement No 8 to the contract totaling 255 341 804, 00 (two hundred fifty five million three hundred forty one thousand eight hundred and four) rubles 00 copecks.

	3. Approve the interested-party transaction: supplementary agreement No 7 to the contract and give consent to effecting the interested-party transaction: supplementary agreement No 8 to the contract of 19.05.2016 on the following basic terms: Parties to the transaction: the Customer – RSC Energia, the Contractor – ZAO ZEM RSC Energia. Subject of the Transaction: under supplementary agreement No 7 to introduce changes to the contract terms with respect to adding additional work milestones to the Work Schedule (with work completion date till December 31, 2018). Determine an approximate price under the contract totaling 257 882 064,00 (two hundred fifty seven million eight hundred eighty two thousand and sixty four) rubles 00 copecks. Under supplementary agreement No 8, to introduce changes to the contract terms as regards determining an approximate price under the contract totaling 255 341 804, 00 (two hundred fifty five million three hundred forty one thousand eight hundred and four) rubles 00 copecks, of which 125 883 595rubles (in fixed prices) are foreseen in Appendix No 1 to the Contract, to add new financing schedules to the contract. Note: This transaction is the interested-party transaction for RSC Energia, because State Corporation ROSCOSMOS is the holding company for AO URSC, which, in its turn, is the holding company for the parties to the transaction: RSC Energia (direct control) and ZAO ZEM RSC Energia (indirect control), RSC Energia Management Board members P.V. Vinokurov, Y.A. Yermakov and Y.A. Mikrin are the Management Board members at ZAO ZEM RSC Energia, RSC Energia Management Board member I.Y. Maltsev is Director General, Chairman of the Management Board of ZAO ZEM RSC Energia.

21.05.2018 Meeting (Minutes No 23 of 24.05.2018)

Items on the agenda	Resolutions passed
1. Consideration of the Report on the 2017 performance. Review of the key performance indicators target values achieved in 2017.	1.1. As per subpara 2, para 1, Art.28 of RSC Energia Articles of Association, approve the Report on the 2017 performance, including the reports on progress in implementing RSC Energia and ZAO ZEM RSC Energia Consolidated Work Program for 2017; state order execution; counteracting corruption; procurement activity results. Take note of failure to achieve the following particular indicators included in the Consolidated Work Program of RSC Energia and ZAO ZEM RSC Energia for 2017: net profit – percentage of completion is 85,1%; sales proceeds – percentage of completion is 78,7%. 1.2. Consideration of the issue on assessment of the achieved key performance indicators (KPI) by the 2017 performance consolidated indicators is to be postponed to next Board of Directors meeting. Not include data on the achieved KPI for 2017 based upon the consolidated indicators in the Annual Report 2017. 1.3. Recommend the chief executive officer in preparation of quarterly and annual reports add to them information about progress in execution of the manufacturing program with respect to off-budget proceeds itemized by lines of activity, kinds of output/services provided, by major customers, as well as information about the promising projects being implemented and with Commercial potential. 1.4. Charge RSC Energia management to submit the calculations on the transaction “Angosat”, as well as put forward the proposals to create reserve on this subject: volume and procedure (period) for calculation.
2. Consideration of RSC Energia Financial Statements for 2017.	2. Take note of RSC Energia annual Financial Statements for 2017 and put them forward for approval at annual General Shareholders’

	Meeting of RSC Energia. Note the submitted auditor's report from AO BDO Unicon certifying data adequacy in the annual Financial Statement of RSC Energia for 2017. Take note of RSC Energia net profit margin by the 2017 performance totaling 1 232 438 thousand rubles.
3. Consideration of the proposals put forward to RSC Energia annual General Shareholders' Meeting for the procedure to allocate RSC Energia profit and losses by the 2017 performance.	3. To postpone consideration of the issue to the next Board of Directors meeting, hold it as absentee voting.
4. Consideration of RSC Energia Annual Report for 2017.	4. As per subpara 4 ,para 1, Art.28 of RSC Energia Articles of Association to approve by prior arrangement RSC Energia Annual Report for 2017 (further referred to as the Annual Report) and place it for approval by RSC Energia annual General Shareholders' meeting. Note available resolution of the Auditing Committee confirming adequacy of data addressed in the Annual Report.
5. Review of the Report on the interested-party transactions effected by RSC Energia in 2017.	5. As per para 1.1, Art. 81 of Federal Law «On Joint Stock Companies», to approve the Report on the interested-party transactions effected by RSC Energia in 2017 (further referred to as the Report on the transactions). During preparations for holding annual general shareholders' meeting at RSC Energia, to submit the Report on the transactions to the persons entitled to take part in the annual general meeting. Take note of the available resolution of the Auditing Committee confirming adequacy of data addressed in the Report on the transactions.
6. On proposals to pay remuneration to RSC Energia Board of Directors members.	6. Suspend consideration of the issue to the next Board of Directors meeting, hold it as absentee voting.
7. On recommendations to pay remuneration to RSC Energia Auditing Committee members.	7. Suspend consideration of the issue to the next Board of Directors meeting, hold it as absentee voting.
8. On calling RSC Energia annual general shareholders' meeting.	8. Call annual General Shareholders' Meeting of RSC Energia on June 30, 2018 at 11 a.m. (beginning of registration at 10 a.m.) in conference hall at RSC Energia, on 3rd floor, building 67 (at RSC Energia premises, 4A Lenin Street, Korolev city, Moscow Region) in the form of a meeting (joint attendance of the shareholders to discuss the items on the agenda and take decisions on the issues put to the vote, with sending (handing in) voting ballots to the shareholders prior to holding annual general shareholders' meeting. Mailing address at which the ballots filled in can be directed: Russian Federation, 141070, 4A Lenin Street, Korolev city, Moscow Region.
9. Date on which the persons who are entitled to take part in annual general shareholders' meeting of RSC Energia are determined (recorded).	9. Date on which the persons who are entitled to take part in annual general shareholders' meeting of RSC are determined (recorded): June 5, 2018.
10. On approval of the agenda of RSC Energia annual general shareholders' meeting.	10. Approve the following Agenda of RSC Energia annual general shareholders' meeting: 1. Approval of RSC Energia Annual Report for 2017. 2. Approval of RSC Energia Financial Statements for 2017. 3. On profit and loss distribution at RSC Energia by the 2017 performance. 4. On remuneration payment for work in the Board of Directors at RSC Energia. 5. On remuneration payment for work in the Auditing Committee of RSC Energia. 6. Approval of RSC Energia auditor 2018. 7. Election of RSC Energia Board of Directors members. 8. Election of RSC Energia Auditing Committee members. 9. On making amendments and supplements to the Articles of Association.

	10. On making supplements to RSC Energia Articles of Association. 11. On making amendments and supplements to the Regulations on the Company Board of Directors; 12. On making changes and supplements to the Provision on General Shareholders' Meeting; 13. On making amendments to the Regulations on remuneration and compensations to be paid to RSC Energia Board of Directors members. 14. On making amendments to the Regulations on remuneration and compensations to be paid to the Auditing Committee members at RSC Energia.

30.05.2018 Meeting as absentee voting (Minutes No 24 of 31.05.2018)

Items on the agenda	Resolutions passed
1. Consideration of the proposals to RSC Energia annual general shareholders' meeting for the procedure to distribute RSC Energia profit and losses by the 2017 performance results.	1. As per subpara 18, 19, para 1, Art.28 of RSC Energia Articles of Association, with due regard for RSC Energia's financial recovery program which provides for imposing moratorium on dividend payouts during 2018-2020 period, to approve the following proposals and recommendations on RSC Energia net profit distribution by the 2017 performance totaling 1 232 437 525 rubles: – direct (taking into account that in 2017 the Reserve Fund money resources were completely spent on covering the losses) to the Reserve Fund 168 560 100 rubles (13,6769% of net profit) which will come to 15% of RSC Energia Charter capital (thus, the Reserve Fund will be formed in full); – direct for payment of remuneration to the Board of Directors members 2 891 400 rubles and 86 400 rubles to the Auditing Committee members (a total of 2 977 800 rubles or 0,2416% of net profit, with due regard for refusals to be remunerated on the part of some members of the Board of Directors and Auditing Committee); – leave 1 060 899 625 rubles at RSC Energia's disposal; – not to forward any funds for dividend payouts.
2. On proposed remuneration payments to RSC Energia Board of Directors members.	2. As per subpara 16, para 1, Art.28 of RSC Energia Articles of Association, to approve the following proposals to RSC Energia annual general shareholders' meeting for remuneration payments to RSC Energia Board of Directors members, with due regard for refusal to be remunerated by the 2017 performance of the following Board of Directors members: Yu.V. Vlasov, T.L. Yelfimova, A.N. Ivanov, Y.D. Karutina (Tormozova), I.A. Komarov, S.K. Krikalev, O.V. Lobanov, A.A. Medvedev, M.V. Petrov, S.V. Saveliev. Pay remuneration calculated under the procedure established by RSC Energia ByLaws to the following members of RSC Energia Board of Directors by the 2017 performance for the total amount of 2 891,4 thousand rubles allocating it as follows: 1. A.A. Gavrilenko - 868,0 thousand rubles; 2. S.A. Nikitin - 1 047.4 thousand rubles; 3. A.V. Nuzhdov - 976,0 thousand rubles;
3. On recommendations to pay remuneration to RSC Energia Auditing Committee members	3. As per subpara 15, para 1, Art.28 of RSC Energia Articles of Association, to approve the following recommendations to annual general shareholders' meeting on remuneration payment to RSC Energia Auditing Committee members, with due regard for refusal to be remunerated by the 2017 performance of the following Auditing Committee members: A.I. Vyaznik, V.B. Goroschenko, A.A. Zelepukin, V.V. Kardanov, M.Yu. Kisileva, A.B. Kosenko, I.M. Murakayev, Y.P. Polezhaeva, A.V. Rebrina, Y.B. Sokolova: Pay remuneration size which is calculated under the procedure established by RSC Energia's Bylaws, to the following Auditing Committee members at RSC Energia by the 2017 performance and which totals 86,4 thousand rubles allocated as follows: 1. A.V. Ardeev 43,2 thousand rubles; 2. K.V. Vakulin 43,2 thousand rubles;
4. On defining the List of information (materials) provided to the shareholders in preparations for holding	4.1. Approve the List of information (materials) provided to the shareholders in preparation for holding annual general shareholders' meeting at RSC Energia. 3.2. Approve the Procedure for making information (materials) available to the shareholders in preparations for holding annual general shareholders' meeting at

annual general shareholders' Meeting at RSC Energia (AGSM) and its submission procedure.	RSC Energia.
5. On approval of: - form and text of voting ballots on AGSM agenda items; - text of information leaflet to be sent along with the voting ballots; - draft decisions on AGSM agenda items which are to be directed in electronic form to nominee holders of the stock entered in the shareholders' register; - procedure for communicating AGSM to the Shareholders.	5.1. Approve the form and text: - of voting ballots Nos 1-9 on the agenda items concerning annual general shareholders' meeting (further referred to as AGSM) at RSC Energia (Appendix No 4); - of information leaflet for dispatch (handed in) to the shareholders simultaneously with voting ballots with respect to RSC Energia AGSM agenda items; - of draft decisions on RSC Energia AGSM agenda items which need to be sent in electronic form to nominee holders of stock entered in the shareholders' register; 5.2. Approve the following procedure for communicating information about AGSM to the shareholders: - as per para 1, Art. 19 of RSC Energia Articles of Association, information about AGSM is to be posted on RSC Energia official site of information telecommunication Internet network (www.energia.ru) within 30 (thirty) days before the AGSM date. - message within 30 (thirty) days before the date of AGSM (as per para 9, Art. 8.9 of Federal Law No 39-FZ of 22.04.1996 "On securities market") is to be sent to the branch of AO Draga based in Korolev city (Registrar) electronically (as electronic document) for subsequent forwarding at the address of the nominee holder entered in RSC Energia shareholders' register.
6. On RSC Energia joining the Program in handling non-core assets of State Corporation ROSCOSMOS.	6.1. Take decision on RSC Energia joining the Program in handling non-core assets of State Corporation ROSCOSMOS (further referred to as the Program). 6.2. Charge RSC Energia Director General to ensure: -keeping non-core assets register under the Program within a two-month period starting on the date the decision is taken on joining the Program; - development of the plan of measure to sell non-core assets under the Program within one-month period starting on the date RSC Energia Board of Directors takes a decision to approve non-core assets register; - within one-month period from the date of RSC Energia joining the program, ZAO ZEM RSC Energia (100% major SAC) shall decide on joining the Program, as well as developing the plan of measures to sell non-core assets under the Program and keep non-core assets register under the Program; - submit to State Corporation ROSCOSMOS the copies of RSC Energia Board of Directors meeting Minutes, including corporate resolutions concerning RSC Energia SAC with respect to their joining the Program within a 5-day period starting on the date of respective corporate event.

08.06.2018 Meeting as absentee voting (Minutes No 25 of 09.06.2018)

Items on the agenda	Resolutions passed
On Board of Directors recommendations concerning Compulsory Proposal from State Corporation ROSCOSMOS for purchase of securities of RSC Energia.	1. As per subpara 60, para 1, Art.28 of RSC Energia Articles of Association and Art.84.3 of Federal Law «On Joint Stock Companies» to accept the Recommendations relative to the submitted Compulsory Proposal from the State Space Corporation ROSCOSMOS for purchasing RSC Energia securities (further referred to as Compulsory Proposal). 2. As per para 1, Art.19 of RSC Energia Articles of Association and Art.84.3 of Federal Law «On Joint Stock Companies», to charge RSC Energia Director General to ensure forwarding the Compulsory Proposal with indicated date of its receipt by RSC Energia and the Board of Directors recommendations to the security holders who are to be informed about the Compulsory Proposal, in the order provided for to deliver a message about holding general shareholders' meeting: post it on official RSC Energia site on Internet web at the following E-mail address: www.energia.ru. 3. As per Art.84.3 of Federal Law «On Joint Stock Companies», to charge RSC Energia Director General to ensure forwarding the Board of Directors recommendations with respect to the Compulsory Proposal to the person sending the compulsory proposal, State Corporation ROSCOSMOS, simultaneously with implementation of

	para 2 of this decision. 4. Recommend RSC Energia Director General to post on RSC Energia official site information letter to the shareholders, security holders, whom the above Compulsory Proposal is intended for.

15.06.2018 Meeting as absentee voting (Minutes No 26 of 15.06.2018)

Items on the agenda	Resolutions passed
1. Consideration of State Corporation ROSCOSMOS request for calling extraordinary General Shareholders' Meeting at RSC Energia.	1.1. Accept the request made by RSC Energia shareholder, State Corporation ROSCOSMOS (the holder of 282 234 of the registered common stock of RSC Energia which makes up 25,1 % of the voting stock) for calling extraordinary General Shareholders' Meeting as satisfying the requirements set out in RSC Energia Articles of Association, Federal Law «On Joint Stock Companies» and other legal acts. 1.2. Call RSC Energia extraordinary General Shareholders' Meeting on August 21, 2018 at 11 a.m. (start of registration is at 10 a.m.) in RSC Energia's conference hall, on the 3rd floor of building 67 (RSC Energia's premises, 4A Lenin Street, Korolev city, Moscow Region) in the form of a meeting (joint attendance of the shareholders to discuss the agenda items and deciding the issues put to the vote), with a preliminary forwarding (handing in) voting ballots to the shareholders before holding the extraordinary General Shareholders' Meeting. Mailing address at which the ballots filled in can be directed: 141070 Russian Federation, 4A Lenin Street, Korolev city, Moscow Region.
2. On approval of the agenda for RSC Energia extraordinary General Shareholders' Meeting	2. Approve the following Agenda for RSC Energia extraordinary General Shareholders' Meeting: 1. On early termination of the Company Board of Directors powers. 2. On Election of the Company Board of Directors.
3. On determining the date of the end of receiving the shareholder's proposals to nominate candidates for election to RSC Energia Board of Directors.	3. Determine the date of the end of receiving the shareholders' proposals to nominate candidates for election to RSC Energia Board of Directors: 20.07.2018.
4. On determining (fixing) the date of defining the persons entitled to take part in RSC Energia EGSM.	4. Date on which the persons entitled to take part in RSC Energia EGSM are defined (fixed): 10.07.2018.
5. On approval of the procedure for communicating extraordinary General Shareholders' Meeting date to RSC Energia shareholders.	5. Approve the following procedure for communicating the shareholders the date of extraordinary General Shareholders Meeting at RSC Energia (further referred to as EGSM): - as per Article 52 of Federal Law «On Joint Stock Companies», no later than 50 (fifty) days prior the date of EGSM, respective message shall be posted on official site of RSC Energia on Internet information and telecommunication network: www.energia.ru. - no later than 50 (fifty) days before the date of holding EGSM, message (as per para 9, Art. 8.9 of Federal Law No 39-FZ of 22.04.1996 "On securities market") shall be made available to the branch of AO DRAGA in Korolev city (Registrar) in electronic form (as electronic document for its subsequent forwarding at the nominee holder's address.
6. On determining the List of information (materials) to be submitted to the shareholders in preparation for holding extraordinary General Shareholders' Meeting at RSC Energia and its submission procedure	6.1. Approve the List of information (materials) to be provided to the shareholders in preparation for holding extraordinary General Shareholders' Meeting at RSC Energia. 6.2. Approve the Procedure for information (materials) submission to the shareholders in preparation for holding at RSC Energia extraordinary General Shareholders' Meeting.

15.06.2018 Meeting as absentee voting (Minutes No 27 of 18.06.2018)

Items on the agenda	Resolutions passed
1. On determining price of placement of extra uncertified registered common stock of RSC Energia.	As per subpara 11, para 1, Art.28 of RSC Energia Articles of Association, to determine price of placement of extra uncertified registered common stock of RSC Energia:

	Price of placement of additionally issued securities is 7 638 (seven thousand six hundred thirty eight) rubles per one uncertified registered common share of stock. Price of the additionally issued securities placement for the persons with priority rights to acquire securities being placed is 7 637 (seven thousand six hundred thirty seven) rubles 88 copecks per one uncertified registered common share of stock
2. On approval of the Decision on additional issued securities of RSC Energia.	As per subpara 12, para 1, Art.28 of RSC Energia Articles of Association, based upon the decision on an increase in the Charter capital of RSC Energia taken at extraordinary General Shareholders' Meeting on March 19, 2018 (Minutes No 32 of 20.03.2018), approve the Decision on an additional issue of securities of S.P. Korolev Rocket and Space Public Corporation Energia.
3. Consideration of RSC Energia financial recovery Program.	As per subpara 1, para 1, Art.28 of RSC Energia Articles of Association, to approve the RSC Energia financial recovery Program (further referred to as FRP). In order to ensure the FRP implementation, to approve the decision on imposing the moratorium on dividend payouts in allocation of the net profit at RSC Energia during 2018-2020 period.

27.06.2018 Meeting as absentee voting (Minutes No 28 of 29.06.2018)

Items on the agenda	Resolutions passed
1. On RSC Energia auditor candidacy for 2018. Approval of auditor's services payment size by the results of the tender for auditor organization selection.	1.1. Take note of information about RSC Energia auditor candidacy for 2018 – AO BDO Unicon, the winner of the conducted open tender for selection of auditor organizations for annual compulsory auditing the financial statements by RAS and the consolidated financial statements by IAS. 1.2. Approve size of auditor's services payment in case of auditing the financial statements by RAS and the consolidated financial statements by IAS at RSC Energia for 2018 in the amount of 7 002 417,01 (seven millions two thousand four hundred seventeen) rubles 01 copeck, including VAT totaling 1 068 165,31 (one million sixty eight thousand one hundred sixty five) rubles 31 copecks.
2. On compliance with the requirements of the anticorrupt practices legislation and prevention of corruption offences, as well as other offences in day-to-day activity.	Take note of the submitted information about RSC Energia's compliance with the requirements of anticorrupt practices legislation and prevention of corruption, as well as other offences in day-to-day activity.
3. Review of annual reports of the Board of Directors committees on their operation results.	3.1. Approve the report prepared by RSC Energia Board of Directors Auditing Committee for 2017-2018 corporate year. 3.2. Approve the report submitted by RSC Energia Board of Directors Committee on personnel and remuneration for 2017-2018 corporate year. 3.3. Approve the report prepared by RSC Energia Board of Directors Committee on strategic planning, modernization and innovative development for 2017-2018 corporate year.
4. On setting up working bodies of annual general shareholders' meeting (Presidium, Secretariat) and assigning presiding person and chairman at annual general shareholders' meeting.	4.1. Set up Presidium of RSC Energia annual general shareholders' meeting in the following membership: 1. Yury Veniaminovich Vlasov 2. Alexandr Nikolaevich Ivanov 3. Tatiana Leonidovna Yelfimova 4. Sergei Konstantinovich Krikalev 5. Sergei Alexandrovich Nikitin 6. Sergei Valentinovich Saveliev 7. Vladimir Lvovich Solntsev 8. Vladimir Alexeyevich Solovyov. 4.2. Set up Secretariat of RSC Energia annual general shareholders' meeting in the following membership: – Galina Vladimirovna Piskareva – Ilya Igorevich Dontsov. 4.3. Approve Vladimir Alexeyevich Solovyov as the President person of RSC Energia annual general shareholders' meeting. 4.4. In case of the absence of the Board of Directors Chairman and

	its deputy at annual general shareholders' meeting of RSC Energia, assign Vladimir Lvovich Solntsev, the Board of Directors member, the chairman of annual general shareholder's' meeting of RSC Energia.
5. On carrying out action items given by RSC Energia Board of Directors.	5. Take note of information about carrying out the action items given by RSC Energia Board of Directors for the 2017-2018 Company years.
6. Review of the list and target values of RSC Energia's KPIs for 2018.	6. As per subpara 3, para 1, Article 28 of RSC Energia Articles of Association and considering State Corporation ROSCOSMOS Supervisory Board decision of 23.04.2018, to approve the List and target values of RSC Energia's KPIs for 2018 (Appendix No 6).

23.07.2018 Meeting as absentee voting (Minutes No 1 of 26.07.2018)

Items on the agenda	Resolutions passed
1. On election of Chairman of the Board of Directors at RSC Energia.	1.1. Elect Deputy Director General of State Corporation ROSCOSMOS Sergei Valentinovich Saveliev as the Chairman of RSC Energia Board of Directors. 1.2. Elect the first Deputy Director General of State Corporation ROSCOSMOS Tatiana Leonidovna Yelfimova as the deputy Chairman of RSC Energia Board of Directors.
2. Review of the Report on RSC Energia innovative development Program implementation in 2017.	2.1. Approve the Report on the results of RSC Energia innovative development Program (IDP) implementation for 2017. 2.2. Note that 1 of the 7 key IDP effectiveness indices, the number of the patents obtained, has not been achieved (target value -62, actual value – 44).
3. Om charitable activities.	In connection with appeals from the abbot of the temple after Saint Sergei and Martyr Valentin located in Korolev city, Moscow Region, and belonging to Moscow eparchy of Russian Orthodox Church for giving charitable assistance to set up Sunday school at orthodox parish, as per subpara 45, para 1, Art. 28 of RSC Energia Articles of Association, to approve the transaction related to giving charitable assistance as the provided free use of idle premises: entering into a supplementary agreement to the Contract for giving charitable assistance No 11-701/2018 of 01.03.2018 on the following basic terms: Philanthropist (sponsor): RSC Energia; Beneficiary: Local religions organization orthodox parish at the temple after Saint Sergei and Martyr Valentin located in Korolev city, Moscow Region and belonging to Moscow eparchy of Russian Orthodox Church; Period of use and the supplementary agreement: starting on the date of idle premises transfer under the deed of assignment till 31.07.2020, with a possibility of prolongation. Facilities to be made available: idle premises with a total area of 380,9 m^2, located on the 1st floor of the building at the following address: 1 Dzerzhinsky proyezd, Korolev, Moscow Region, inv. No 0100109. Target use: for Sunday school location.
4. On Supplementary agreement to the lease contract between RSC Energia and ZAO ZEM RSC Energia (long-term lease).	4.1. As per subpara 40, para 1, Art. 28 of RSC Energia Articles of Association, approve the transaction, Supplementary agreement No 3 to the lease contract between the Lessor, RSC Energia, and the Lessee, ZAO ZEM RSC Energia, for putting out on lease on a temporary basis over the period from 01.09.2018 till 31.08.2023 of nonresidential rooms (part of the building) with a total area of 977,3 m^2 at production-administration building No 114 (inv. No 0100452) located at the following address: 4A Lenin Street, Korolev city, Moscow Region, 141070: - part of building No 50:45:0040401:330/1, on the 1st floor, with a total area of 602,0 m^2; - part of building No 50:45:0040401:330/2, on the 1st floor, with a total area of 48,4 m^2;

	- part of building No 50:45:0040401:330/3, on the 4th floor, with a total area of 326,9 m^2; at the price for the entire lease period (from 01.01.2014 till 31.08.2023) which is comprised of a permanent part of rent payment in the amount of at least 37 446 878, 72 rubles (thirty seven million four hundred forty six thousand eight hundred seventy eight rubles 72 copecks), incl. VAT at 18% and a variable part of rent payment, including public utility services costs. Marginal (maximum possible) cost of variable part of the rent payment over the entire period of the contract will be at least 3 061 140, 75 rubles (three million sixty one thousand one hundred forty rubles 75 copecks), incl. VAT at 18%. Thus, the ceiling price of the contract over the entire lease period of the contract will come to less than 40 508 019, 47 rubles (forty million fifty eight thousand nineteen rubles 47 copecks), incl. VAT at 18%. 4.2. Taking into account RSC Energia Board of Directors' resolution (Minutes No 24of 31.05.2018) on joining the Program to handle non-core assets developed by State Corporation ROSCOSMOS (further referred to as Program), to charge Director General of RSC Energia to manage the assets according to the Program provisions Put forward draft register of RSC Energia non-core assets and the submittals foreseen by the Program for agreement by State Corporation ROSCOSMOS Centralized Committee on handling non-core assets, for a subsequent approval at the Company's Board of Directors.

25.07.2018 Meeting as absentee voting (Minutes No 2 of 30.07.2018)

Items on the agenda	Resolutions passed
1. Consideration of the proposals made available under Art.53 of Federal Law «On Joint Stock Companies» from the shareholders to include the candidates nominated by the shareholders to the List of the candidates for election to RSC Energia Board of Directors.	**1.1**. Accept the proposal made by the shareholder of RSC Energia- State Corporation ROSCOSMOS, the holder of 25.12% of the voting stock, for nominating the candidates to RSC Energia Board of Directors as satisfying the requirements set out in RSC Energia Articles of Association, Federal Law «On Joint Stock Companies» and other legal acts. **1.2.** Include the following candidates proposed by the shareholder of RSC Energia - State Corporation ROSCOSMOS in the List of candidates for voting in order to be elected to the Board of Directors at extraordinary General Shareholders Meeting of RSC Energia: 1. Nikolai Nikolayevich Sevastiyanov 2. Nikita Vladimirovich Kazinsky 3. Mikhail Nikolayevich Khailov 4. Oleg Petrovich Frolov 5. Sergei Yurievich Romanov 6. Sergei Konstantinovich Krikalev 7. Svetlana Vyacheslavovna Kukina 8. Vladimir Vladimirovich Meshkov 9. Konstantin Vladimirovich Romanov 10. Sergei Valentinovich Saveliev 11. Lusine Borisovna Arutyunova
2. On approval: Of form and text of voting ballots on the agenda items for extraordinary General Shareholders' Meeting at RSC Energia (further referred to as the EGSM); - text of information leaflet to be sent together with voting ballots; - draft decisions on the agenda items for EGSM to be submitted electronically to nominee holders of the stock entered in the shareholders register.	2. Approve the form and text - of voting ballots Nos 1-2 on the agenda items concerning extraordinary General Shareholders' Meeting at RSC Energia (further referred to as the EGSM); - of information leaflet to be sent (handed in) to the shareholders simultaneously with voting ballots on the agenda for RSC Energia EGSM; - of draft decisions on the agenda items for RSC Energia EGSM which are to be sent in electronic form to nominee shareholder entered in the Shareholders' Register.
3. On setting up EGSM working bodies	3.1. Set up Presidium of extraordinary general Shareholders'

(Presidium, Secretariat) and determine EGSM presiding person and chairman.	meeting in the following membershuip: 1. Tatiana Leonidovna Yelfimova 2. Anton Sergeevich Zhiganov 3. Sergei Konstantinovich Krikalev 4. Svetlana Vyacheslavovna Kukina 5.Vladimir Vladimirovich Meshkov 6. Konstantin Vladimirovich Romanov 7. Sergei Yurievich Romanov 8. Sergei Valentinovich Saveliev 9. Vladimir Alexeevich Solovyov

03.08.2018 Meeting as absentee voting (Minutes No 3 of 06.08.2018)

Items on the agenda	Resolutions passed
1. On suspension of RSC Energia Chief Executive Officer (Director General) powers and appointment of acting chief executive Officer (Director General) of RSC Energia.	1. Suspend powers of RSC Energia Director General Vladimir Lvovich Solntsev since August 4, 2018. Appoint Sergei Yurievich Romanov as acting Director General of RSC Energia since August 4, 2018 till appointment of new chief executive officer (Director General) of RSC Energia at extraordinary general shareholders' meeting.
2. On calling RSC Energia extraordinary general shareholders' meeting.	2. Convene extraordinary general shareholders' meeting of RSC Energia as absentee voting.
3. On approval of the agenda of RSC Energia extraordinary general shareholders' meeting.	3. Approve the following agenda for extraordinary general shareholders' meeting: 1). On early termination of powers of the existing chief executive officer (Director General) of RSC Energia. 2). On election of RSC Energia chief executive officer (Director General).
4. On fixing the date for stopping receipt of voting ballots and mailing address for sending the ballots filled in.	4. Fix the date and time for stopping receipt of voting ballots at RSC Energia extraordinary general Shareholders' meeting: September 12, 2018, 5.30 p.m. Moscow time. Mailing address to which the completed ballots are to be sent is the following: Russian Federation, 141070, 4A Lenin Street, Korolev, Moscow Region.
5. On fixing the date of making up the List of the persons entitled to take part in extraordinary general shareholders' meeting of RSC Energia.	5. Fix the date on which the persons entitled to take part in extraordinary general shareholders' meeting of RSC Energia are determined (recorded): August 17, 2018.
6. On determining the List of information (materials) to be submitted to the shareholders in preparation for extraordinary general shareholders' meeting, its submission procedure and the procedure of informing the shareholders about extraordinary general shareholders' meeting of RSC Energia.	6.1. Approve the List of information (materials) to be submitted to the shareholders in preparation for RSC Energia extraordinary general shareholders' meeting. 6.2. Approve information (materials) submission procedure to the shareholders in preparation for extraordinary general shareholders' meeting at RSC Energia. 6.3. Approve the procedure for informing the shareholders about RSC Energia extraordinary general shareholders' meeting.
7. On setting up Secretariat for extraordinary general shareholders' meeting.	7. Set up Secretariat of the meeting in the following membership in order to execute the results of extraordinary general shareholders' meeting at RSC Energia: – Galina Vladimirovna Piskareva, – Ilya Igorevich Dontsov.
8. Approval of the agreement on cancellation of the agreement with chief executive officer (Director General) of RSC Energia V.L. Solntsev.	8. Approve the agreement on cancellation of the labour agreement of 28.10.2014 with chief executive officer (Director General) of RSC Energia V.L. Solntsev in the version attached and charge T.L. Yelfimova, RSC Energia Board of Directors member, to sign it on behalf of RSC Energia.
9. On Labour agreement with acting Chief Executive Officer (Director General) of RSC Energia.	9. Approve the labour agreement with acting Chief Executive Officer (Director General) of RSC Energia S.Yu. Romanov in the version attached and charge T.L. Yelfimova, RSC Energia Board of Directors member, to sign it on behalf of RSC Energia.

10.08.2018 Meeting as absentee voting (Minutes No 4 of 13.08.2018)

Items on the agenda	Resolutions passed
1. On nominating a candidacy for election to the post of chief executive officer (Director	1. Nominate the candidacy of Sergei Yurievich Romanov for election to the post of chief executive officer (Director General) of

General) of RSC Energia.	RSC Energia at extraordinary general shareholders' meeting.
2. On approval of: - form and text of voting ballots on the agenda items of extraordinary general shareholders' meeting; - text of information leaflet to be sent with voting ballots; - draft decision on the agenda items of EGSM which are to be forwarded in electronic form to nominee holder of the stock entered in the shareholders' register.	2. Approve: – form and text of voting ballot on the agenda items for RSC Energia extraordinary general shareholders' meeting (further referred to as EGSM); – text of information leaflet for dispatch (handing in) to the shareholders simultaneously with voting ballots on the agenda items for RSC Energia EGSM; – draft decision on the agenda items for RSC Energia EGSM which are to be forwarded in electronic form to nominee holder of the stock entered in the shareholders' register.

20.08.2018 Meeting as absentee voting (Minutes No 5 of 20.08.2018)

Items on the agenda	Resolutions passed
On approval of the terms of the labour contract with Chief internal auditor of RSC Energia.	Approve the following basic terms of the labour contract to be entered into with the Chief internal auditor of RSC Energia: - monthly secured salary of 140 thousand rubles; - bonus by annual performance: in accordance with KPI achieved results; - setting irregular working hours, with provision of 3 additional vacation days for irregular working hours; - duration of basic vacations is 28 calendar days; - granting benefits package covering all employees at RSC Energia.

21.08.2018 Meeting as absentee voting (Minutes No 6 of 21.08.2018)

Items on the agenda	Resolutions passed
Agreement of the Candidacy to the post of the Head of Control-Auditing Department at RSC Energia.	Agree upon appointment of Alexander Olegovich Ruziev to the post of the Head of Control-Auditing Department (Department 4DP) of RSC Energia.

27.08.2018 Meeting (Minutes No 1 of 28.08.2018)

Items on the agenda	Resolutions passed
1. On election of RSC Energia Board of Directors Chairman.	Elect Nikolai Nikolaevich Sevastiyanov, acting first Deputy of Director General of State Corporation ROSCOSMOS, as the Chairman of the Board of Directors at RSC Energia.
2. On election of deputy of Chairman of the Board of Directors at RSC Energia.	Elect Sergei Valentinovich Saveliev, deputy Director General for international cooperation of State Corporation ROSCOSMOS, as the deputy Chairman of the Board of Directors at RSC Energia.

04.09.2018 Meeting as absentee voting (Minutes No 2 of 05.09.2018)

Items on the agenda	Resolutions passed
On interested party transaction.	1. Accept as per the provisions of para 1, Art. 83 of FZ «On Joint Stock Companies», the request made by S.V. Saveliev, the Board of Directors member, for holding RSC Energia Board of Directors meeting to resolve the issue on consent to making of the interested-party transaction: entering into the Contract for performance of work package to adapt Upper Stage and outfit ground space infrastructure in support of spacecraft launch from Baikonur Cosmodrome, between the Customer, RSC Energia, and the Contractor, AO NPO after Lavochkin, as well as consider this issue as part of this Board of Directors meeting.
	2. Determine an approximate ceiling price of the Contract entered into between the Customer, RSC Energia, and the Contractor, AO NPO after Lavochkin, for performance of work package to adapt Upper Stage and outfit ground space infrastructure in support of spacecraft launch from Baikonur Cosmodrome and fixed at 187 770 821, 00 (one hundred eighty seven million seven hundred seventy thousand eight hundred twenty one) rubles 00 copecks.
	3. Give consent to making of the interested-party transaction: entering into the Contract between the Customer, RSC Energia, and

	the Contractor, AO NPO after Lavochkin, for performance of work package to adapt Upper Stage and outfit ground space infrastructure in support of spacecraft launch from Baikonur Cosmodrome at the price of 187 770 821, 00 (one hundred eighty seven million seven hundred seventy thousand eight hundred twenty one) rubles 00 copecks, with commencement of work in May 2018 and work completion following 4 months after SC is launched. Information about transaction terms, as well as the person (persons) being its party (parties), beneficiary (beneficiaries) shall not be disclosed before making the transaction. Note: For RSC Energia this transaction is the interested-party transaction, because State Corporation ROSCOSMOS is the holding company of the parties to the transaction, RSC Energia Board of Directors members N.V. Kazinsky, N.N. Sevastiyanov, M.N. Khailov are the Board of Directors members of AO NPO after Lavochkin.

15.10.2018 Meeting (Minutes No 3 of 18.10.2018)

Items on the agenda	Resolutions passed
1. Consideration of the Report on RSC Energia performance for the 6 months of 2018 (including the results of implementing the consolidated Work Program of RSC Energia and ZAO ZEM RSC Energia. On forecasting of the achievement of RSC Energia consolidated Work Program (budget) indicators in 2018.	1.1. Take note of the Report on RSC Energia performance (including the results of implementing the consolidated Work Program of RSC Energia and ZAO ZEM RSC Energia for the 6 months of 2018 and the forecasting of the achievement of RSC Energia consolidated Work Program (budget) indicators in 2018. 1.2. Take note of: - failure to achieve the key performance indicators (KPI) (proceeds, off-budget proceeds, treasury account balance reduced) for 6 months of 2018 and the submitted forecast of the achievement of KPI integral index (percentage-of-completion) equal to 0% by the 2018 performance; - excess in the Wages Fund and the average staff number employed in 2018 (by 187 employees) in ZAO ZEM RSC Energia over the target figure for the first six months of 2018, with the target labour productivity figure not achieved; - RSC Energia showed an increase in the average staff number in the second half-year of 2018, with an anticipated labour productivity plan nonfulfillment in 2018. 1.3. Charge RSC Energia to: - ensure development of the proposals to update Financial Recovery Plan, as well as undertake other measures according to the Plan to reduce debts receivable approved by State Corporation ROSCOSMOS; - take action to achieve the consolidated target figures on the staff number and the Wages Fund by the 2018 performance. 1.4. RSC Energia Director General shall: - ensure development and implementation of the Action Plan to provide achievement of the staff number figures approved at FAD (ПФО);including those in 2018; - ensure calculation of operating production personnel (OPP) standard number (based upon work load in standard hours/man-hours and labour intensity, the Wages Fund provided for in the contract prices, NZP, KVN and retrospective analysis), taking into account preproduction volumes and topic departments; - provide calculation of the staff number engaged in APC, auxiliary and attending personnel on the basis of branch and general machinebuilding standards as applied to staff number/labour intensity, which shall not exceed designed values by the Consolidated standards for the staff number by personnel groups at space industry enterprises and organizations. 1.5. Besides, the following issues put forward by the Board of Directors members L.B. Arutyunova, V.V. Meshkov were considered as part of the discussion of the first item on the agenda:

	1.5.1. On possible splitting of one of 2018 milestones by CTS project. By the discussion results, the Chairman of the Board of Directors proposed L.B. Arutyunova, P.V. Vinokurov and S.K. Krikalev to hold joint discussion of the above issue. 1.5.2. On the existing claims and suits lodged by RSC Energia against AO GKNPTs after M.V. Khrunichev (currently in critical financial situation) in terms of their consideration results reflected in current year forecast. It was noted that the forecast based upon a pessimistic scenario of unfolding the events does not foresee any payments whatsoever on the part of M.V. Khrunichev GKNPTs to RSC Energia by claims suits for the reason that their settlement in 2018 is highly improbable. 1.5.3. On RSC Energia joining the Procurement Regulations of State Corporation ROSCOSMOS. The Board of Directors Chairman N.N. Sevastiyanov proposed the Board of Directors members taking interest in the above issue to place the issue for consideration of RSC Energia Board of Directors (in case of need). 1.5.4. On progress in actions aimed to increase the Charter capital. It was found necessary to solve the problem of attracting budgetary investments aimed to increase RSC Energia Charter capital till the end of 2018.
2. Consideration of draft Labour Contract with RSC Energia chief executive officer (Director General)	2. Approve Labour Contract with RSC Energia Director General S.Yu. Romanov in the version attached and charge RSC Energia Board of Directors Chairman N.N. Sevastiyanov to sign it on behalf of RSC Energia.
3. Approval of RSC Energia Board of Directors Committees memberships, election of the committees' chairmen.	3.1.1. Approve the membership of the Committee on personnel and remuneration of RSC Energia Board of Directors: S.K. Krikalev, V.V. Matveychuk, V.V. Meshkov, K.V. Romanov, S.V. Saveliev 3.1.2. Elect Vladimir Vladimirovich Matveychuk as the chairman of the Committee on personnel and remuneration at RSC Energia Board of Directors. 3.2.1. Approve the membership of the Committee on Audit at RSC Energia Board of Directors: L.B. Arutyunova, P.V. Vinokurov, S.V. Kapitanov, S.V. Kukina, D.N. Chirkin 3.2.2. Elect Svetlana Vyacheslavovna Kukina as the chairman of the Committee on Audit at RSC Energia Board of Directors. 3.3.1. Approve the membership of the Committee on strategic planning, modernization and innovative development at RSC Energia Board of Directors: S.K. Krikalev, V.V. Meshkov, S.Yu. Romanov, S.V. Saveliev, N.N. Sevastiyanov 3.3.2. Elect Nikolai Nikolayevich Sevastiyanov as the chairman of the Committee on strategic planning, modernization and innovative development at RSC Energia Board of Directors.
4. Approval of RSC Energia Board of Directors Work Plan for 2018/2019 corporate year.	4. Approve RSC Energia Board of Directors Work Plan for 2018/2019 corporate year.

20.11.2018 Meeting as absentee voting (Minutes No 4 of 22.11.2018)

Items on the agenda	Resolutions passed
1. On long-term lease contract.	As per subpara 40, para 1, Art. 28 of RSC Energia Articles of Association, to approve entering into long-term lease contract on the following terms: Parties to the contract: Lessee: RSC Energia Lessor: Property Management Department, Samara district Subject of the contract: lease of land plot with an area of 7305 m^2, cadaster number 63:01:0253005:1040, located at the address: 26B Zemets Street, Kirovsk district, Samara city, Samara Region; Lease period: 49 years Rental rate: from 06.09.2016* till 31.12.2016: 582 984,11 rubles from 01.01.2017 till 31.12.2017: 1 897 961,04 rubles from 01.01.2018 per year: 1 979 838,50 rubles

	for 49 years (approximately, at least): 96 880 703,73 rubles** * rental rate is fixed starting on the date the land plot is actually used; i.e. from the date the title of ownership for the building is passed to RSC Energia; **rental rate can be revised by the lessor in the event that the land plot cadaster value, inflation rate are changed, changes are introduced in regulatory-legal acts, etc.
2. On termination of participation in the Association "International Aerospace system of global monitoring and forecasting".	2. As per subpara 17.1, para 1, Art.65 of Federal Law «On Joint Stock Companies», to decide on withdrawal of RSC Energia from the Association "International Aerospace system of global monitoring and forecasting".
3. On implementation of the earlier-taken decision of the previous Board of Directors.	3. Take note of information about implementing the Board of Directors decisions taken earlier at RSC Energia for the period from June 2017 through August 2018.
4. On adhering to the requirements of the anticorrupt practices legislation and prevention of corruption and other offences in day-to-day activity. (BOD resolution – Minutes No 12 of 29.01.2018).	4. Take note of the submitted information about RSC Energia compliance with the requirements set out in anticorrupt practices legislation and prevention of corruption and other offences in day-to-day activity.
5. On approval of minimum qualifying requirements for the post of RSC Energia head.	5.1. Approve "Minimum qualifying requirements for the post of RSC Energia head". 5.2. Charge RSC Energia Director General to ensure taking by the subsidiary companies of the decisions on approval of minimum qualifying requirements for the post of the subsidiary company head in due time till 01.12.2018. 5.3. Assign RSC Energia Director General to ensure receipt by State Corporation ROSCOSMOS of the copies of RSC Energia authorized managerial bodies decisions, as well as respective decisions of its subsidiary companies on the approved minimum qualifying requirements in due time till 10.12.2018.

26.11.2018 Meeting (Minutes No 5 of 27.11.2018)

Items on the agenda	Resolutions passed
On strategic projects	1. Take note of the submitted information about closing the transaction on alienation of the Sea Launch Project assets by RSC Energia Group in favor of the companies entered in ZAO "S7 Group» (further referred to as the Transaction). 2. Take note of information about the resultant allocation of funds by the results of making of the Transaction.

11.12.2018 Meeting as absentee voting (Minutes No 6 of 14.12.2018)

Items on the agenda	Resolutions passed
On interested party transaction.	1. Accept the request made by the Board of Directors member S.K. Krikalev on holding the Board of Directors meeting at RSC Energia to resolve the issue on approval of the interested-party transaction: supplementary agreement No4 to the contract for performance of work (provision of service) on the subject entitled "Performance of development work and provision of services for rotation and rescue of 6 (six) astronauts assigned by the American party on CTS Soyuz MS in the scope of modification to the international contract between ROSCOSMOS and NASA, between the Customer, State Corporation ROSCOSMOS, and the Contractor, RSC Energia, and consider this issue as part of this Board of Directors meeting.
	2. Determine price of the schedule milestone No7 of the contract between the Customer, State Corporation ROSCOSMOS, and the Contractor, RSC Energia, for performance of work (provision of service) on the subject entitled "Performance of development work and provision of services for rotation and rescue of 6 (six) astronauts assigned by the American party on CTS Soyuz MS in the scope of modification to the international contract between ROSCOSMOS and NASA in the amount of 38 447 400 (thirty eight million four

	hundred forty seven thousand four hundred) rubles, with a total firm (fixed) price of the contract coming to 5 656 558 800 (five billion six hundred fifty six million five hundred fifty eight thousand eight hundred) rubles.
	3. Approve the interested-party transaction: Supplementary agreement No 4 to the contract on the following basic terms: Parties to the transaction: the Customer – State Corporation ROSCOSMOS, the Contractor – RSC Energia. Subject of Supplementary agreement No 4: fixing the price of the contract Schedule milestone No7 totaling 38 447 400 (thirty eight million four hundred forty seven thousand four hundred) rubles, as well as determining firm (fixed) price of the contract totaling 5 656 558 800 (five billion six hundred fifty six million five hundred fifty eight thousand eight hundred) rubles. Note: For RSC Energia this transaction is the interested-party transaction as State Corporation ROSCOSMOS is the holding company for RSC Energia and the party to the transaction; RSC Energia Board of Directors member S.K. Krikalev is the representative of the party to the transaction, State Corporation ROSCOSMOS, Board of Directors members S.V. Saveliev, O.P. Frolov and M.N. Khailov are the Management Board members of State Corporation ROSCOSMOS.

18.12.2018 Meeting as absentee voting (Minutes No 7 of 21.12.2018)

Items on the agenda	Resolutions passed
1. Consideration of the key performance indicators target figures achievement results for 2017 (Action Item of BOD No 23 of 24.05.2018).	**1.1.** Take note the report of KPI target figures achievement results for 2017. Note that integral index of the KPI achievement by the Integrated structure of RSC Energia by the 2017 performance was 52,73% (with regard for the resolutions passed by State Corporation ROSCOSMOS managerial bodies). **1.2.** Not to pay annual bonus by the 2017 performance to the person who performed functions of RSC Energia CEO during 2017, namely: V.L. Solntsev, in accordance with the labour contract terms.
2. Consideration of RSC Energia Director General KPI chart.	**2.** In accordance with the Procedure guidelines on the use of the key performance indicators in State Corporation ROSCOSMOS and its organizations put into effect by RSC Energia Board of Directors resolution (Minutes No 19 of 02.04.2018), approve the KPI chart for RSC Energia Director General S.Yu. Romanov for 2018.
3. On RSC Energia Group performance by the reporting data based upon IAS for the 1st half-year of 2018.	**3.1.** Note that unaudited interim reduced consolidated Financial Statements of RSC Energia for 6 months of 2018 prepared according to IAS standards have been submitted and issued within a specified period. Take note of available auditor's report resulting from review of the above Financial Statements. **3.2.** Take note of interim reduced consolidated Financial Statement of RSC Energia for 6 months of 2018 prepared in accordance with IAS standards.
4. On draft Provision on holding auditor selection tender for RSC Energia for auditing Financial Statements by RAS and IAS.	**4.** As per subpara 28.1, para 1, Art. 28 of RSC Energia Articles of Association, to approve the Provision on the Tender Committee and the procedure to hold the tender for the right to enter into a contract for provision of auditing services with respect to annual financial statements by RAS, as well as auditing consolidated financial statements by IAS relative to S.P. Korolev Rocket and Space Public Corporation Energia redrafted.
5. On membership of the Tender Committee on auditor Selection for RSC Energia for 2019.	**5.** As per subpara 28.2, para 1, Art. 28 of RSC Energia Articles of Association, to approve the membership of the Tender Committee on holding auditor selection tender for 2019: P.V. Vinokurov, L.Yu. Gorodetskaya, P.V. Melentiev, N.M. Pokhvalinskiy (Committee chairman), N.V. Simakova, T.P. Fomina, A.A. Yukseeva (Committee secretary).

INFORMATION ABOUT HOLDING OF THE COMPANY BOARD OF DIRECTORS COMMITTEES MEETINGS

Auditing Committee meetings

31.01.2018 Meeting as absentee voting (Minutes No 5 of 05.02.2018)

Items on the agenda	Resolutions passed
1. On submission of written clarifications in response to request from the auditor AO BDO Unicon.	1.1. Agree upon in advance draft written clarifications in response to request from auditor AO BDO Unicon with respect to Financial Statements of RSC Energia for 2017 prepared according to RAS (further referred to as Written clarifications). 1.2. Recommend RSC Energia Board of Directors to approve the Written clarifications, including if necessary additional information.
2. Consideration of the results of study by the Company and its SAC executive bodies (subject to compulsory audit by RAS) of the auditors' recommendations by the auditing results under RAS for 2016.	2. Take note of the submittals. Recommend the Company management during preparations for auditing by the 2017 performance to get independent auditor's opinion with respect to urgent status of the comments earlier expressed by auditor with respect to the auditing results for 2016.
3. Consideration of the draft document specifying the procedure for holding auditor selection tender for RSC Energia for 2018 to audit Financial Statements by RAS and IAS.	3. Due to the need to resolve the comments to the Provision on the Tender Committee and the procedure to hold the tender for the right to enter into a contract for auditing services relative to annual Financial Statements by RAS, as well as auditing consolidated Financial Statements by IAS of S.P. Korolev Rocket and Space Public Corporation Energia, to postpone consideration of the issue to the next Auditing Committee meeting.

06.04.2018 Meeting as absentee voting (Minutes No 6 of 09.04.2018)

Items on the agenda	Resolutions passed
1. Consideration of draft document specifying the procedure for holding auditor selection tender for RSC Energia for 2018 to audit Financial Statements by RAS and IAS.	1.1. Approve in advance the Provision on the Tender Committee and the procedure to hold the tender for the right to enter into a contract for auditing services relative to annual Financial Statements by RAS, as well as auditing consolidated Financial Statements by IAS of S.P. Korolev Rocket and Space Public Corporation Energia (further referred to as the Provision). 1.2. As per subpara 28.1, para 1, Art. 28 of RSC Energia Articles of Association, submit the Provision for approval of RSC Energia Board of Directors.
2. Review of the proposals for the membership of the Tender Committee on RSC Energia auditor selection for 2018.	2.1. Agree upon in advance the following membership of the Tender Committee on holding auditor (selection): P.V. Vinokurov, Yu.V. Vorobyov, Yu.B. Yegorova, P.V. Melentiev, N.V. Simakova, A.F. El-Said, T.P. Fomina , V.N. Yanevich, A.A. Yukseeva (Committee secretary). 2.2. Submit the Tender Committee membership for approval to the Board of Directors; recommend the Board of Directors to put V.N. Yanevich, deputy Head of the Department for procurement control and techniques, in charge of the Committee chairman functions.

19.04.2018 Meeting as absentee voting (Minutes No 7 of 19.04.2018)

Items on the agenda	Resolutions passed
1. Review of the Internal Audit Department report on the results of work plan implementation for the 4th quarter of 2017.	1.1. Take note of the Company Internal Audit Department report for the 4th quarter of 2017. 1.2. Recognize as satisfactory operation of the Internal Audit Department report for the 4th quarter of 2017 1.3. Recommend the Board of Directors to approve the candidacy of Yulia BorisovnaYegorova for appointment to the post of Chief internal auditor at RSC Energia.
2. Consideration of the Internal Audit Department work plan for 2018.	2. Approve in advance the Internal Audit Department work plan for 2018 and submit it for approval to RSC Energia Board of Directors (subpara 55, para 1, Art.28 of RSC Energia Articles of Association).

26.04.2018 Meeting as absentee voting (Minutes No 8 of 26.04.2018)

Items on the agenda	Resolutions passed
1. On fixing the date, time and venue for	1. Fix as per para 3.2 of the Provision on the Tender Committee and the

holding the tender for the right to enter into a contract for auditing services concerning annual Financial Statements by RAS, as well as auditing the consolidated Financial Statements by IAS at RSC Energia for 2018.	procedure to hold the tender the for the right to enter into a contract for auditing services concerning annual Financial Statements by RAS, as well as auditing the consolidated Financial Statements by IAS of S.P. Korolev Rocket and Space Public Corporation Energia: - the date and time of holding the tender : 28.05.2018 at 10:00 a.m.; - venue of holding the tender: 4A Lenin Street, Korolev city, Moscow Region, 141070.
2. Consideration of the Tender documentation and the text of the Notice about holding the tender for the right to enter into a contract for auditing services concerning annual Financial Statements by RAS, as well as auditing the consolidated Financial Statements by IAS at RSC Energia for 2018.	2. Approve the Tender documentation and the text of the Notice about holding the tender for the right to enter into a contract for auditing services concerning annual Financial Statements by RAS, as well as auditing the consolidated Financial Statements by IAS at RSC Energia for 2018.

14.05.2018 Meeting as absentee voting (Minutes No 9 of 14.05.2018)

Items on the agenda	Resolutions passed
On introducing changes to the Tender documentation and the text of the Notice about holding the tender for the right to enter into a contract for auditing services concerning annual Financial Statements by RAS, as well as auditing the consolidated Financial Statements by IAS at RSC Energia for 2018.	Approve the changes to the Tender documentation and the text of the Notice about holding the tender for the right to enter into a contract for auditing services concerning annual Financial Statements by RAS, as well as auditing the consolidated Financial Statements by IAS at RSC Energia for 2018.

18.05.2018 Meeting as absentee voting (Minutes No 10 of 18.05.2018)

Items on the agenda	Resolutions passed
1. Consideration of draft Annual Report of RSC Energia for 2017.	1.1. Take note of RSC Energia Annual Report for 2017. 1.2. Recommend the Board of Directors to approve in advance RSC Energia Annual Report for 2017 and submit it for approval at annual general shareholders' meeting.
2. Consideration of the interested-party transactions effected by RSC Energia in 2017.	2.1. Take note of the Report on the interested-party transactions effected by RSC Energia in 2017. 2.2. Recommend the Board of Directors to approve the Report on the interested-party transactions effected by RSC Energia in 2017.

22.06.2018 Meeting as absentee voting (Minutes No 11 of 25.06.2018)

Items on the agenda	Resolutions passed
1. On the results of the auditor selection tender for auditing annual Financial Statements by RAS and IAS for 2018. Evaluation of the candidate to auditor and cost of its services.	1.1. Recognize the Tender on auditor selection as successful and in conformity with the approved tender documentation. Ascertain the fact that the tender winner is AO BDO Unicon. 1.2. Recommend the Board of Directors to approve the price of auditor services concerning auditing annual Financial Statements by RAS and the consolidated Financial Statements of RSC Energia by IAS for 2018 which totals 7 002 417,01 (seven million two thousand four hundred seventeen) rubles 01 copecks , including VAT at totaling 1 068 165,31 (one million sixty eight thousand one hundred sixty five) rubles 31 copecks.
2. Consideration of the results of RSC Energia auditing for 2017. Urgent status of the comments earlier made by the auditor on the 2016 auditing.	2. Take note of information about status of the comments made by the auditing results for 2016.
3. Consideration of RSC Energia Group performance by the Financial Statements data according to IAS for 2017.	3.1. Note that the consolidated Financial Statements of RSC Energia for 2017 prepared in accordance with IAS standards have been submitted and issued within a specified period (03.05.2018). 3.2. Take note of the consolidated Financial Statements of RSC Energia for 2017 prepared according to the IAS standards. 3.3. Note the fact of the available losses most of which have been caused by termination of the Sea Launch Project operations.
4. On preliminary consideration of the	4.1. Approve in advance the following terms of the labour contract with

labour contract terms with Chief internal auditor of RSC Energia.	the Company Chief internal auditor (Yu.B. Yegorova whose candidacy was approved for filling the post of Chief internal auditor): - monthly secured salary is 140 thousand rubles; - bonus by the annual performance depends upon the results of KPI achievement; - irregular working hours, with provision of 3 additional vacation days for irregular working hours; - duration of basic vacation is 28 calendar days; - granting benefits package effective for all employees of the Company. 4.2. Recommend the Company Board of Directors as per subpara 57, para, 1 Art. 28 of RSC Energia Articles of Association to approve the labour contract terms with the Company Chief internal auditor.
5. Consideration of the Internal Audit Department Report on the results of work plan implementation for the 1st quarter of 2018.	5. Take note of the Company Internal Audit Department report for the 1st quarter of 2018.
6. The Auditing Committee's report for 2017-2018 corporate year.	6. Approve the report prepared by RSC Energia Board of Directors Auditing Committee for the 2017-2018 corporate year and submit it for consideration to the Company Board of Directors.

13.12.2018 Meeting (Minutes No 1 of 14.12.2018)

Items on the agenda	Resolutions passed
1. Consideration and approval of the meetings plan for the Auditing Committee of RSC Energia Board of Directors for the 2018-2019 corporate year.	1. Approve the work plan of the Auditing Committee of RSC Energia Board of Director RSC Energia for the 2018-2019 corporate year.
2. On RSC Energia Group performance by the Financial Statements data according to IAS for the 1st half-year of 2018.	2.1. Note that unaudited interim reduced consolidated Financial Statements of RSC Energia for 6 months of 2018 prepared according to IAS standards have been submitted and issued within a specified period. Take note of the available auditor's report on the results of these accounts review. 2.2. Take note of the consolidated Financial Statements of RSC Energia for the 1st half-year of 2018 which have been prepared according to IAS standards.
3. Consideration of the Internal Audit Department Report on the results of the work plan implementation for the 2nd quarter of 2018.	3.1. Take note of the Internal Audit Department Report on the results of the work plan implementation for the 2nd quarter of 2018. 3.2. Recommend the internal audit department at RSC Energia in submission of the materials reflecting progress in work over current accounting period to include information about identifying risks with due regard for their ranking; in case of identifying risks of significant misrepresentation of the Financial Statements – also include the proposals for their minimization. Furthermore, to add to the above materials information about the measures being undertaken to eliminate defects identified during audits to mitigate the risks.
4. Consideration of draft Provision on the tender procedure for RSC Energia auditor selection to audit Financial Statements redrafted by RAS and IAS.	4.1. Approve in advance the Provision on the Tender Committee and the procedure for holding the tender for the right to enter into a contract for auditing services relative to annual Financial Statements by RAS, as well as auditing the consolidated Financial Statements by IAS of S.P. Korolev Rocket and Space Public Corporation Energia (redrafted) (further referred to as the Provision). 4.2. As per subpara 28.1, para 1, Art. 28 of RSC Energia Articles of Association, submit the Provision to RSC Energia Board of Directors and recommend it to be approved.
5. Consideration of the proposals for the membership of the Tender Committee to select RSC Energia auditor for 2019.	5.1. Agree upon in advance the following membership of the Tender Committee on holding the auditor selection tender for 2019: P.V. Vinokurov, L.Yu. Gorodetskaya, P.V. Melentiev, N.M. Pokhvalinskiy, N.V. Simakova, T.P. Fomina , A.A. Yukseeva (Committee secretary). 5.2. Place the Tender Committee for approval to the Board of Directors, recommend the Board of Directors to put N.M. Pokhvalinskiy, the Head of MTO (ITR) and procurement management Department, in charge of the Committee chairman.

Meetings of the Personnel and Remuneration Committee

21.02.2018 Meeting as absentee voting (Minutes No 4 of 22.02.2018)

Items on the agenda	Resolutions passed
1. On agreeing upon the changes introduced in RSC Energia's organizational structure.	1. Agree upon the changes in RSC Energia organizational structure, taking into account the following: - exclusion of the post of deputy Director General in charge of personnel and social policy from RSC Energia management structure; - inclusion in RSC Energia management structure of the post of deputy Director General in charge of personnel, social policy and control-auditing activity.
2. Agreeing upon the candidacy to the post of deputy Director General for personnel, social policy and control-auditing activity.	2. Agree upon appointment of Alexei Alexandrovich Beloborodov to the post of deputy Director General in charge of personnel social policy and control-auditing activity.
3. Consideration of the proposals for introducing amendments and supplements to the Provision on remuneration and compensations to be paid to RSC Energia Board of Directors members.	3.1. Agree upon in advance the proposed amendments and supplements being introduced in the Provision on remuneration and compensations to be paid to RSC Energia Board of Directors members. 3.2. Recommend the Board of Directors to approve the proposed amendments and supplements to the Provision on remuneration and compensations to RSC Energia Board of Directors members and submit the issue on their approval to RSC Energia general shareholders meeting.
4. Consideration of the proposals for introducing the amendments and supplements in the Provision on remuneration and compensations to be paid to RSC Energia Auditing Committee members.	4.1. Agree upon in advance the proposed amendments and supplements to be introduced in the Provision on remuneration and compensations to be paid to RSC Energia Auditing Committee members. 4.2. Recommend the Board of Directors to approve the proposed amendments to the Provision on remuneration and compensations to be paid to RSC Energia Auditing Committee members and submit the issue on their approval to RSC Energia general shareholders meeting.

05.04.2018 Meeting as absentee voting (Minutes No 5 of 06.04.2018)

Items on the agenda	Resolutions passed
1. On agreement of the changes being introduced in RSC Energia's organizational structure.	1. Agree upon the changes in RSC Energia organizational structure, taking into account the following: - exclusion from RSC Energia management structure of the post of deputy Designer General, the head of Baikonur branch; - inclusion in RSC Energia management structure of the post of deputy Director General, the head of Baikonur branch. 1.2. Agree upon making amendments to RSC Energia organization-order documents within organization structure.

04.05.2018 Meeting as absentee voting (Minutes No 6 of 07.05.2018)

Items on the agenda	Resolutions passed
1. On proposals to annual general shareholders meeting of RSC Energia to pay remuneration to the Board of Directors members for 2017.	1.1. Approve the proposals for size of remuneration to RSC Energia Board of Directors members by the 2017 performance calculated under the procedure established by RSC Energia ByLaws which totals 2 891,4 thousand rubles (with due regard for refusal to be remunerated expressed by some of the Board of Directors members), with its allocation as per Appendix. 1.2. Recommend the Board of Directors to decide on approval of the proposals to RSC Energia General Shareholders Meeting for remuneration on payment to RSC Energia Board of Directors members for 2017 in the total amount of 2 891,4 thousand rubles (with due regard for refusals to be remunerated by some of the Board of Directors members), with its allocation as per Appendix.
2. On recommendations to RSC Energia annual general shareholders meeting for payment of remuneration to the Auditing Committee members for 2017.	2.1. Approve the proposals for size of remuneration to RSC Energia Auditing Committee members by the 2017 performance which was calculated under the procedure established by RSC Energia ByLaws and amounted to 86,4 thousand rubles (taking into account refusals to be remunerated by some of the Auditing Committee members), with its allocation as per Appendix. 2.2. Recommend the Board of Directors to decide on approval of the

	recommendations to RSC Energia General Shareholders Meeting on remuneration payment to RSC Energia Auditing Committee members for 2017 totaling 86,4 thousand rubles (with due regard for the refusals to be remunerated by some of the Auditing Committee members), with its allocation as per Appendix.

29.06.2018 Meeting as absentee voting (Minutes No 7 of 29.07.2018)

Items on the agenda	Resolutions passed
1. On agreement of the changes introduced in RSC Energia organizational structure.	1.1. Agree upon the changes in RSC Energia organizational structure, taking into account the following: - setting up and introducing Contract Department 24S into RSC Energia organizational structure. 1.2. Agree upon appointment of V.N. Yanevich to the post of the Head of Contract Department 24S.

15.10.2018 Meeting (Minutes No1 of 17.10.2018)

Items on the agenda	Resolutions passed
On agreement of RSC Energia organizational structure.	In due time till 22.10.2018 RSC Energia shall prepare additional clarifications concerning draft Organizational Structure of RSC Energia and submit it for repeated consideration at the Committee meeting.

23.10.2018 Meeting (Minutes No 2 of 24.10.2018)

Items on the agenda	Resolutions passed
1 On agreement of RSC Energia organizational structure.	1.1. Agree upon RSC Energia organizational structure. 1.2. Add to the Committee's work plan consideration of the issue on the organizational structure introduction results and the proposals for its improvement scheduled, approximately, for April-May 2019.

29.12.2018 Meeting as absentee voting (Minutes No3 of 29.12.2018)

Items on the agenda	Resolutions passed
1. Consideration and approval of the Personnel and Remuneration Committee meetings plan of the Board of Directors at RSC Energia for the 2018-2019 corporate year.	1. Approve the Meetings plan for Personnel and Remuneration Committee at RSC Energia for the 2018-2019 corporate year.
2. On agreement of: - changes in RSC Energia organizational structure; - candidacy for appointment to the post of deputy Director General for KPK CTK	2.1. Agree upon the changes in RSC Energia organizational structure, taking into account introducing the post of deputy Director General for KPK CTK in RSC Energia structural management chart. 2.2. Agree upon appointment of Yuri Veniaminovich Vlasov to the post of deputy Director General for KPK CTK.
3. On agreement of the candidacies proposed by RSC Energia Management Board for their election to RSC Energia's SAC board of directors and auditing committees.	3.1. Agree upon in advance the proposed List of the candidates for their election to RSC Energia SAC board of directors and auditing committee. 3.2. According to subpara 47, para ,1 Art.28 of RSC Energia Articles of Association, to recommend the Board of Directors to agree upon the List of the above candidates for election to RSC Energia SAC board of directors and auditing committee.

Meetings held by the Strategic Planning, Modernization and Innovative Development Committee

09.06.2018 Meeting as absentee voting (Minutes No 1 of 09.06.2018)

Items on the agenda	Resolutions passed
Consideration of the Report on RSC Energia Innovative Development Program progress in 2017.	1.1. Take note of the Report on RSC Energia Innovative Development Program (IDP) progress in 2017. 1.2. Recommend the Board of Directors to approve the Report on RSC Energia IDP progress for 2017.

Report on the Board of Directors' members participation of the Board of Directors' and its Committees meetings during 2018.*

Board of Directors members in accounting year	Independent director	Participation in the Board of Directors' meetings	Auditing Committee	Personnel and Remuneration Committee	Strategic Planning, Modernization and Innovative Development Committee
L.B. Arutyunova (from 21.08.2018 up to now)		7/6 (1)	1/0		
Yu.V. Vlasov (from 24.06.17 till 30.06.2018)		19/18			1/1
A.A. Vuchkovich (from 30.06.2018 till 21.08.2018)		6/0			
A.A. Gavrilenko (from 24.06.17 till 30.06.2018)		19/11			1/0
T.L. Yelfimova (from 24.06.17 till 30.06.2018; from 30.06.2018 till 21.08.2018)		25/24	7/7		1/1
A.S. Zhiganov (from 30.06.2018 till 03.08.2018)		6/3			
A.N. Ivanov (from 24.06.17 till 30.06.2018)		19/18			1/1
N.V. Kazinsky (from 21.08.2018 till 11.11.2018)		7/3			
Y.D. Karutina (Tormozova) (from 24.06.17 till 30.06.2018; from 30.06.2018 till 21.08.2018)		25/25			
I.A. Komarov (from 24.06.17 till 30.06.2018; from 30.06.2018 till 29.07.2018)		25/14			
S.K. Krikalev (from 24.06.2017 till 30.06.2018; from 30.06.2018 till 21.08.2018; from 21.08.2018 up to now)		32/27(1)		7/6	1/1
S.V. Kukina (from 30.06.2018 till 21.08.2018; from 21.08.2018 up to now)		13/12	1/1		
V.V.Meshkov (from 30.06.2018 till 21.08.2018; from 21.08.2018 till 28.11.2018)		13/9(1)		3/1	
S.A. Nikitin (from 24.06.2017 till 30.06.2018)		19/16	7/7		1/1
A.V. Nuzhdov (from 24.06.2017 till 30.06.2018)		19/15	7/6	4/4	
K.V. Romanov (from 30.06.2018 till 21.08.2018; from 21.08.2018 up to now)		13/13		3/2	
S.Yu. Romanov (from 21.08.2018 up to now)		7/7			
S.V. Saveliev (from 24.06.2017 till 30.06.2018; from 30.06.2018 till 21.08.2018; from 21.08.2018 up to now)		32/30(1)		7/4	
N.N. Sevastiyanov (from 21.08.2018 up to now)		7/7			
V.L. Solntsev (from 24.06.2017 till 30.06.2018; from 30.06.2018 till 21.08.2018)		25/22			1/1
O.P. Frolov (from 21.08.2018 up to now)		7/4(3)			
M.N. Khailov (from 21.08.2018 up to now)		7/7			

** Data in the Table given in format 5/3(1) [2] means that the Director could take part in five meetings of the Committee (Board), personally took part in three meetings, sent his written opinion to another meeting, two more meetings he attended without taking part in the vote with respect to all agenda items, because he was not entitled to voting on those items. If the number of the meetings which the Director could attend is equal to the number of meetings which the Director did really attend, this means that the director was active in work of the Board of Directors and (or) relevant Committee.*

Appendix 4 / Information about the Company compliance with the Code of Corporate Governance

This Section gives an assessment of corporate governance quality at RSC Energia and the Report on compliance with the Code of Corporate Governance principles and recommendations provided by the Bank of Russia.

Brief description of the most important aspects of corporate governance model and procedure in the Company is given in the Annual Report section "Corporate Governance"

Description of the procedure used to evaluate adherence to the corporate governance principles assigned by the Code of Corporate Governance:

- when evaluating adherence to the corporate governance principles, the Company Articles of Association and the Company bylaws provisions are analyzed for compliance with the Code recommendations;
- corporate governance quality in RSC Energia is evaluated based upon the Procedure for Corporate Governance Quality Self-Appraisal in the Companies with State Participation approved by the Order issued by Federal Property Management Agency No 306 of 22.08.2014;
- adherence to corporate governance principles assigned by the Code of Corporate Governance was evaluated in accordance with the report form on compliance with the Code of Corporate Governance principles and recommendations which is to be made part of an annual report of the joint-stock company whose stock is introduced to organized tenders (Letter of Advice from Bank of Russia No IN-06-52/8 of 17.02.2016 "On Disclosure of Report on Compliance with the Code of Corporate Governance Principles and Recommendations as Part of Annual Report of Public Joint-Stock Company").

Key reasons, factors and (or) circumstances on the strength of which the Company fails to comply with or complies if not in full volume with the corporate governance principles assigned in the Code of Corporate Governance, as well as corporate governance mechanisms and tools used by the Company in place of those recommended by the Code of Corporate Governance are given in the Table shown below (in the column of the same name).

Planned (expected) actions and measures to improve the Corporate governance model and procedure

Company intends to eliminate most of the inconsistencies by changing organization of managerial bodies operation, introduce new institutions and corporate procedures; make amendments to the existing normative documents, as well as approve new ones (RSC Energia's Articles of Association, Code of Corporate Governance; Regulations on General Shareholders Meetings; Regulations on Board of Directors; bylaws which involve in-house regulatory and procedural documents on organization of risk management system, internal control and internal audit within the Company).

ASSESSMENT OF CORPORATE GOVERNANCE QUALITY IN THE COMPANY

(components of corporate governance quality self-appraisal)

Components		Assessment				
		Number of questions	Component weight in general assessment, %	Actual points	Maximum points	Level of correspondence, %
I.	Shareholders' rights	22	14	66,5	79	84
II.	Board of Directors	56	37	116	202	57
III.	Executive management	5	7	27	38	71
IV.	Information transparency and disclosure	15	25	103	135	76
V.	Risk management, internal control and internal audit	16	11	34	63	54
VI.	Corporate social responsibility, business ethics	6	6	18	31	58
General assessment		120	100	364,5	548	67

REPORT ON COMPLIANCE WITH RSC ENERGIA CODE OF CORPORATE GOVERNANCE PRINCIPLES AND RECOMMENDATIONS

This Report on compliance with the Code of Corporate Governance principles and recommendations was considered at RSC Energia's Board of Directors meeting held on 27.05.2019 meeting with full attendance (Minutes No 20 of 28.05.2019), as part of the Annual Report.

Board of Directors confirms that data given in this Report contains compete and trustworthy information about RSC Energia's compliance with the Code of Corporate principles and recommendations for 2018.

Item No	Corporate Governance Principles	Criteria for assessment of compliance with corporate governance principle	Status of compliance with corporate governance principle	Explanations of deviation from assessment criteria for compliance with corporate governance principle
1.1	Company shall ensure equitable and fair relations regarding all shareholders when they exercise their rights to taking part in the Company management			
1.1.1	Company shall create for its shareholders most favorable conditions for their taking part in general meeting; conditions for taking a reasonable position with respect to agenda of general meeting, coordination of their efforts, as well as giving their view on matters under consideration	1. There are the Company By-Laws in open access approved by general shareholders meeting and regulating procedures to hold general meeting. 2. Company offers an easy way to communicate with it, such as "hot line", E-mail or Internet forum which makes it possible for shareholders to give their views and send their questions concerning the agenda during preparations for holding general meeting. The above actions were taken by the Company on the eve of each general meeting held over the accounting period.	☑ compliance ☐ partial compliance ☐ non-compliance	
1.1.2	Procedure to notify about holding general meeting and submission of materials to general meeting enables shareholders to prepare thoroughly for attending it.	1. Notice about general shareholders meeting to be held shall be placed (issued) on Internet site not later than 30 days prior to general meeting. 2. Notice about forthcoming meeting shall indicate venue of a meeting and documents required for admission to building. 3. Shareholders were provided access to information about who proposed agenda items and who put up candidates to the Company Board of Directors and Auditing Committee.	☑ compliance ☐ partial compliance ☐ non-compliance	Information about who proposed the items on the GSM agenda and who nominated the candidates to BOD and AC shall be made available to the shareholders as a separate reference as part of the submittals to GSM.

Item No	Corporate Governance Principles	Criteria for assessment of compliance with corporate governance principle	Status of compliance with corporate governance principle	Explanations of deviation from assessment criteria for compliance with corporate governance principle
1.1.3	In the course of holding general meeting, shareholders were afforded an opportunity to gain unobstructed and prompt access to information about a meeting and its submittals; ask questions to the Company executive bodies and Board of Directors members, communicate to each other.	1. During the accounting period, shareholders were afforded an opportunity to ask questions to the Company executive bodies and Board of Directors' members both on the eve of annual general meeting and in the course of its operation. 2. Board of Directors' position (including special opinions inserted in the Minutes) with respect to each item on the agenda of the general meetings held was made part of the submittals to be sent to general shareholders' meeting. 3. Company provided access to the List of persons entitled to attend general meeting of the shareholders who have the right thereto starting on the date the Company received it, in all cases of holding general meetings in the accounting period.	☑ compliance ☐ partial compliance ☐ non-compliance	
1.1.4	Exercising shareholder's right to request calling general meeting; put up candidates for election to managerial bodies and make proposals to be included in the agenda of general meeting did not involve unjustified difficulties.	1. In the accounting period shareholders were given a chance to make proposals to be inserted in the agenda annual general meeting within at least 60 days after the end of respective calendar year. 2. During the accounting year, the Company did not refuse to put proposals on the agenda or for candidates to the Company bodies on the ground of misprints and other insignificant shortcomings in shareholder's proposal.	☐ compliance ☑ partial compliance ☐ non-compliance	Existing Articles of Association set due date for putting proposals on the agenda of GSM: 45 days after calendar year is over. The Company takes it that a 45 day-period is long enough for making proposals. The Company will revert to the point concerning extending the period of submission of applications during preparations for the redrafted Articles of Association.
1.1.5	Each shareholder had an opportunity to exercise his voting right freely following the procedure which is the easiest and most convenient for him.	1. Company By-laws (its in-house policy) state the provisions under which each participant of general meeting can require copy of ballot he (she) completed and certified by counting commission before respective meeting is over.	☐ compliance ☐ partial compliance ☑ non-compliance	By-laws have no provisions under which each participant of GSM could require copy of ballot completed by him and certified by counting commission before respective meeting is over. Actually, the above provisions are being implemented. These recommendations will be implemented in preparation of the redrafted GSM Regulations.

Item No	Corporate Governance Principles	Criteria for assessment of compliance with corporate governance principle	Status of compliance with corporate governance principle	Explanations of deviation from assessment criteria for compliance with corporate governance principle
1.1.6	Company-established procedure to hold general meeting provides equal opportunity for all persons present at a meeting express their opinion and ask the questions they are interested in.	1. When holding general shareholders' meeting in the form of a meeting (joint attendance of all shareholders), sufficient time was allowed for presenting reports on agenda items and for discussion of these items. 2. Candidates for election to managerial and control bodies of the Company were available for answering shareholders' questions at the meeting where they as nominees were put to a vote. 3. In taking decisions on preparation and holding general shareholders' meetings, Board of Directors considered the item on using telecommunication facilities for making remote access available to shareholders to take part in general meeting during the accounting period.	☐ compliance ☑ partial compliance ☐ non-compliance	Board of Directors did not consider the item on using telecommunication facilities for making remote access available to shareholders to take part in GSM. The Articles of Association do not address the provisions on a possibility of remote access to voting at GSM. Shareholders have an opportunity to forward the ballots completed to the Company before holding a meeting. Taking into account that most of the shareholders reside in Moscow Region, during preparations for a meeting special office at the place of the Company location is set up for the shareholders so that they could familiarize themselves thoroughly with the materials and get explanations if necessary, as well as ask questions both orally and in writing; also there is ballot-box at the above office.
1.2	Shareholders are granted an equal and fair opportunity to share in profits of the Company by getting dividends			
1.2.1	Company developed and introduced transparent and clear mechanism for determining size of dividends and their payouts.	1. Dividend policy is developed, approved by Board of Directors and disclosed in the Company. 2. If the Company dividend policy uses RSC Energia's reporting indicators to determine size of dividends, then corresponding provisions of dividend policy shall take into account consolidated indicators of financial accounting.	☐ compliance ☑ partial compliance ☐ non-compliance	Dividend policy provisions do not cover consolidated indicators of financial accounting. As RSC Energia is added to the List of the companies coming within the jurisdiction of State Corporation ROSCOSMOS, RSC Energia's dividend policy is based upon relevant policy pursued by State Corporation ROSCOSMOS.
1.2.2	Company does not take decision on dividend payouts in the event that this decision (while not formally violating the limitations established by legislation) is not economically justified and can lead to misrepresentation of the Company operation.	1. Company dividend policy gives clearly defined instructions with respect to financial/economic circumstances under which the Company shall not pay dividends.	☑ compliance ☐ partial compliance ☐ non-compliance	Net profit obtained.

Item No	Corporate Governance Principles	Criteria for assessment of compliance with corporate governance principle	Status of compliance with corporate governance principle	Explanations of deviation from assessment criteria for compliance with corporate governance principle
1.2.3	Company shall protect existing shareholders against infringement of their rights.	1. During the accounting period, the Company did not take action resulting in infringement of dividend rights of the existing shareholders.	☑ compliance ☐ partial compliance ☐ non-compliance	
1.2.4	Company aims to exclude use by shareholders of other methods to get profit (income) at the Company expense other than dividends and liquidating value	1. In order to prevent use by shareholders of other methods to get profit (income) at the Company expense other than dividends and liquidating value, the Company By-laws state control mechanisms which ensure timely reveal of transactions and approval procedure for transactions with the persons affiliated with the existing shareholders (persons entitled to be in charge of votes related to voting stock) when the law does not recognize formally these transactions as interested-party transactions.	☐ compliance ☑ partial compliance ☐ non-compliance	Members of the managerial bodies are bound to report any conflicts of interest or self-interest in effecting transactions. RSC Energia's Articles of Association stipulate the procedure for the Board of Directors approval of property transactions of the company, apart from those provided for by FL "On Joint-Stock Companies". Continuous records are kept of and updated in the List of persons concerned (legal and natural) designed for in-house use in order to find out if the parties take interest in transactions. The Company and its SAC introduced the Anticorrupt Practices; the Provision on Conflict of Interests; the Code of Ethics and Conduct of employees and some other documents. The Procurement Regulations are effective and based on the concepts of information transparency of procurement, absence of discrimination and unreasonable restrictions on completion with respect to procurement parties. In RSC Energia's opinion, the mechanisms existing in the Company are both effective and adequate to prevent any persons (including the persons affiliated (connected) to major Shareholders) from getting unreasonable income at the Company's expense.
1.3	Corporate governance system and practice ensure equal conditions for all the shareholders who own shares of the same category (type), including minority (small) shareholders and foreign shareholders, as well as the Company attitude to shareholders based on equality			

Item No	Corporate Governance Principles	Criteria for assessment of compliance with corporate governance principle	Status of compliance with corporate governance principle	Explanations of deviation from assessment criteria for compliance with corporate governance principle
1.3.1	Company created conditions for fair attitude to each shareholder on the part of the Company managerial bodies and officials in charge of control, including those conditions which ensure impermissibility of abuses on the part of major shareholders with respect to minority shareholders.	1. During the accounting period, the procedures to control potential conflicts of interest among the existing shareholders were efficient; the Board of Directors paid due attention to the conflicts between the shareholders if such were the case.	☑ compliance ☐ partial compliance ☐ non-compliance	
1.3.2	Company does not take actions which lead or can lead to artificial redistribution of corporate control.	1. Quasi-treasury stocks are not available or were not involved in voting process during the accounting period.	☑ compliance ☐ partial compliance ☐ non-compliance	In December 2016, the quasi-treasury stocks were transferred to OAO URSC into entrusted administration; therefore, according to the trust agreements, voting rights at the meeting are handed over to the trustee; so, in taking decisions put to the vote at the GSM after December 2016, risks of potential corporate control takeover was prevented.
1.4	Shareholders are provided with reliable and efficient methods to record rights to shares, as well as an opportunity to alienate freely and without encumbrance the shares they own			
1.4	Shareholders are provided with reliable and efficient methods to record their rights to shares, as well as an opportunity to alienate freely and without encumbrance the shares they own.	1. Quality and reliability of activity to keep register of securities owners being conducted by the Company registrar meet the requirements of the Company and its shareholders.	☑ compliance ☐ partial compliance ☐ non-compliance	
2.1	Board of Directors provides strategic management of the Company; defines basic principles and approaches to organization of risk management and internal control system in the Company; monitors the Company executive bodies operation; as well as performs other key functions.			
2.1.1	Board of Directors is responsible for taking decisions on appointment to and discharge from posts held in executive bodies, including due to improper performance by them of their duties. Also the Board of Directors exercises control over the Company executive bodies so that they act on the approved development strategy and core business of the Company	1. Board of Directors acts within the limits of authority set forth in the Articles of Incorporation which provides for appointment to, discharge from posts held and defining contract terms regarding executive bodies members. 2. Board of Directors considered report (reports) of single-member executive body and collective executive body on progress in implementation of the Company strategy.	☑ compliance ☐ partial compliance ☐ non-compliance	

Item No	Corporate Governance Principles	Criteria for assessment of compliance with corporate governance principle	Status of compliance with corporate governance principle	Explanations of deviation from assessment criteria for compliance with corporate governance principle
2.1.2	Board of Directors determines basic long-term guidelines for the Company operation; evaluates and approves key indicators of its operation and major business objectives of the Company; assesses and approves the strategy and business plans by core activities of the Company.	1. During the accounting period, the Board of Directors meetings considered the issues with respect to progress in implementation and updating of the strategy; approval of financial-economic plan (budget) of the Company. Also criteria and figures (including interim figures) of the strategy and business plan implementation were reviewed.	☑ compliance □ partial compliance □ non-compliance	
2.1.3	Board of Directors defines concepts and approaches to risk management and internal control system organization in the Company.	1. Board of Directors defined concept and approaches to risk management and internal control system organization in the Company 2. Board of Directors gave assessment of risk management and internal control system in the Company over the accounting period	□ compliance ☑ partial compliance □ non-compliance	Approaches to risk management system organization are under discussion. Auditing Committee at the Board of Directors approved the Regulations on Internal Audit Department which secure the functions of the Company risk control and assessment functions for the above department. In order to tighten internal control, the Board of Directors took decision on practicability of a quarterly review of the issues concerning compliance with the requirements of the drive to combat corruption (appropriate legislation). The Board of Directors did not make an assessment of the risk management and internal control system. However, the holding company, State Corporation ROSCOSMOS, performed all round check of financial-economic activities at RSC Energia in 4th quarter of 2018, including assessment of efficiency in internal audit, risk management and internal control system. The check results testified that the Company's internal control system was on the whole effective and in conformity with the Company's scope and nature of activity. Recommendations were made to improve the existing internal control system. By the results of the above check it is planned to elaborate some of the Company's Bylaws concerning risk management and internal control.

Item No	Corporate Governance Principles	Criteria for assessment of compliance with corporate governance principle	Status of compliance with corporate governance principle	Explanations of deviation from assessment criteria for compliance with corporate governance principle
2.1.4	Board of Directors formulates the Company policy concerning remuneration and (or) compensation for expenses to the Board of Directors, executive bodies members and other key executives of the Company.	1. Company developed and introduced the Board of Directors-approved policy (policies) concerning remuneration and compensation for expenses to the Board of Directors, executive bodies members and other key executives of the Company. 2. During the accounting period, the issues related to the above policy (policies) were considered at the Board of Directors meetings.	☑ compliance ☐ partial compliance ☐ non-compliance	Separate document on remuneration and compensation of the Board of Directors members was accepted and approved by GSM' resolution (the latest amendments were introduced by the resolution passed at AGSM, Minutes No 33 of 02.07.2018). As far as the executive body members remuneration policy is concerned, the Board of Directors decided on implementation of "the Procedure guidelines on the use of the key performance indicators in State Corporation ROSCOSMOS and related organizations" (Minutes No 19 of 02.04.2018) at RSC Energia which embody the main concepts and approaches to executive personnel motivation based upon the KPIs.
2.1.5	Board of Directors plays a crucial role in prevention, revealing and settlement of internal conflicts between the Company bodies, shareholders and employees.	1. Board of Directors plays a crucial role in prevention, revealing and settlement of internal conflicts. 2. Company developed the system identifying the transactions involving conflicts of interest, as well as the system of measures aimed to settle conflicts like that.	☑ compliance ☐ partial compliance ☐ non-compliance	
2.1.6	Board of Directors plays a crucial role in ensuring transparency of the Company, timely and complete disclosure of information by the Company; easy access of shareholders to the Company documents.	1. Board of Directors approved the Provision on information policy. 2. Company assigned persons responsible for pursuing information policy.	☐ compliance ☑ partial compliance ☐ non-compliance	No formalized Provision on information policy has been approved yet. Company discloses information provided for by current legislation for public corporations. There is also the Provision on relations with mass media. The Board of Directors approved the Provision on information delivery at the request of RSC Energia shareholders.
2.1.7	Board of Directors exercises control over corporate governance practice in the Company and plays a crucial role in important corporate events of the Company.	1. During the accounting period the Board of Directors considered the matter concerning corporate governance in the Company.	☑ compliance ☐ partial compliance ☐ non-compliance	The Board of Directors reviews at regular intervals the reports on RSC Energia's Work Program implementation.

Item No	Corporate Governance Principles	Criteria for assessment of compliance with corporate governance principle	Status of compliance with corporate governance principle	Explanations of deviation from assessment criteria for compliance with corporate governance principle
2.2	Board of Directors is accountable to the Company shareholders			
2.2.1	Information about the Board of Directors operation shall be disclosed and made available to shareholders.	1. Company Annual Report over the accounting period covers information about attendance by each of the directors of the Board of Directors' and Committees' meetings. 2. Annual Report comprises information about main assessment results of the Board of Directors operation during the accounting period.	☑ compliance ☐ partial compliance ☐ non-compliance	Board of Directors operation is assessed annually and this assessment includes evaluation of the committees performance. Assessment results are considered at Board of Directors' meeting. This assessment is given in the Annual Report as part of information about the Board of Directors' meetings (resolutions passed) in the accounting period.
2.2.2	Chairman of the Board of Directors is available for communication with the Company shareholders.	1. Company established transparent procedure which ensures that shareholders can forward to the Board of Directors their questions and positions they hold.	☑ compliance ☐ partial compliance ☐ non-compliance	Shareholders are afforded an opportunity to turn to the Chairman of the Board of Directors in writing, as well as ask questions in writing at general shareholders' meeting with attendees present.
2.3	Board of Directors is an efficient and professional managerial body of the Company; has the authority to make impartial judgments and take decisions which meet the interests of the Company and its shareholders.			
2.3.1	Only those persons who have impeccable business and personal reputation, acquired knowledge, skills and experience required to take decisions falling within competence of the Board of Directors and essential to perform its functions efficiently, are elected to the Board of Directors as its members.	1. Procedure to assess efficiency in the Board of Directors' operation established in the Company comprises (among other things) evaluation of job skills of the Board of Directors members. 2. During the accounting period, the Board of Directors (or its Committee on nominations) evaluated the nominees to the Board of Directors in terms of their experience, knowledge, business reputation, absence of conflicts of interest, etc.	☐ compliance ☑ partial compliance ☐ non-compliance	Procedure to assess efficiency in the Board of Directors operation is not approved. Quality of the Board of Directors operation is assessed annually. Assessment includes evaluation of the committees operation. Assessment results are considered at Board of Directors meeting. Assessment of the nominees was not made. Information on whether the Board of Directors nominees have the required experience, knowledge, etc. can be found in information materials for GSM.

Item No	Corporate Governance Principles	Criteria for assessment of compliance with corporate governance principle	Status of compliance with corporate governance principle	Explanations of deviation from assessment criteria for compliance with corporate governance principle
2.3.2	Company Board of Directors members are elected via a transparent procedure which enables the shareholders to get full information about the nominees to form a true notion of their personal and professional qualities.	1. In all cases of holding general shareholders' meeting whose agenda included the items of Board of Directors election, the Company submitted to the shareholders personal data on all nominees to be elected to the Board of Directors; results of these nominees evaluation performed by the Board of Directors (or its Committee on nominations); information about nominee conformity to criteria of independence according to the recommendations 102-107 stated in the Code, as well as nominees' consent in writing to be elected to the Board of Directors.	☐ compliance ☑ partial compliance ☐ non-compliance	Nominees evaluation, as well as assessment of nominees conformity to independence criteria have not been performed. The Issuer's Quarterly Report presents information about who of the Board of Directors members can be considered as independent director. Information about personal data, work experience and written consent to be elected to the Board of Directors was made available to the Shareholders. Company sticks to the opinion formed in rocket-space industry that a wide circle of independent directors shall not be brought in for work in the companies operating in the field of Industrial Complex of Russia.
2.3.3	Board of Directors membership is balanced in terms of its members qualification, their experience, knowledge, business qualities; Board of Directors enjoys confidence among the shareholders.	1. As part of the procedure for assessment of the Board of Directors performance made during the accounting period, the Board of Directors analyzed its own needs regarding job skills, experience and business skills.	☐ compliance ☑ partial compliance ☐ non-compliance	With due regard for peculiarities of building up membership of the Board of Directors indicated in items 2.3.1-2.3.2, Board of Directors did not make any assessment of own needs regarding qualification, experience and business skills. Board of Directors membership currently in force is highly skilled and enjoys confidence among the shareholders.
2.3.4	Membership of the Company Board of Directors enables to arrange Board of Directors operation in a most efficient manner, including a possibility to set up Board of Directors' Committees, as well as ensures that important minority shareholders can elect nominee they are voting for to the Board of Directors.	1. As part of the procedure for Board of Directors assessment made in the accounting period, the Board of Directors considered the matter concerning conformity of the Board of Directors membership with the Company needs and shareholders' interests.	☐ compliance ☑ partial compliance ☐ non-compliance	Board of Directors membership of 11 persons enables to set up Committees at the Board of Directors, as well as ensure that the shareholders who own at least 7.5% of stock, can elect their nominee to the Board of Directors.
2.4	Sufficient number of independent directors is in the Board of Directors membership			

Item No	Corporate Governance Principles	Criteria for assessment of compliance with corporate governance principle	Status of compliance with corporate governance principle	Explanations of deviation from assessment criteria for compliance with corporate governance principle
2.4.1	A person is regarded as independent director if he (she) is proficient enough in his(her) profession, have a broad experience and independence to take his own stand; can make impartial and fair judgments not influenced by executive bodies of the Company, separate groups of shareholders or other parties concerned. In so doing, it should be noted that in normal conditions nominee (elected member of the Board of Directors) cannot be regarded as independent in case of his being tied to the Company, its major shareholder, important counterpart or the Company competitor or to the government.	1. During the accounting period, all independent Board of Directors members met all criteria of independence indicated in the Code recommendations 102-107 or were regarded as independent by the decision of the Board of Directors.	☑ compliance ☐ partial compliance ☐ non-compliance	
2.4.2	Nominees to the Board of Directors members are assessed for their satisfying criteria of independence, as well as independent Board of Directors members are reviewed for their satisfying criteria of independence on a regular basis. When making this assessment, content shall govern form.	1. During the accounting period, Board of Directors (or Committee on nominations) made an opinion about independence of each nominee to Board of Directors and presented relevant report to the shareholders. 2. During the accounting period, the Board of Directors (or Committee on nominations at the Board of Directors) considered at least once independence of the existing members of the Board of Directors which are referred to in the Company Annual Report as independent directors. 3. Company developed the procedures defining required actions to be taken by a member of the Board of Directors in the event that he ceases to be independent, including his commitment to inform the Board of Directors about it in a timely manner.	☐ compliance ☐ partial compliance ☑ non-compliance	Board of Directors did not make an opinion about independence of the nominees due to peculiarities of Board of Directors staff selection indicated in item 2.4.3. Criteria of Board of Directors members independence will be set forth in the redrafted Regulations on the Board of Directors. Board of Directors members were assigned to furnish information about changed data in form presented.

Item No	Corporate Governance Principles	Criteria for assessment of compliance with corporate governance principle	Status of compliance with corporate governance principle	Explanations of deviation from assessment criteria for compliance with corporate governance principle
2.4.3	Independent directors account for no less than one-third of the elected Board of Directors staff.	1. Independent directors account for no less than one-third of the elected Board of Directors staff.	☐ compliance ☐ partial compliance ☑ non-compliance	Independent directors account for less than one-third of the elected Board of Directors staff. The Board of Directors membership elected at extraordinary general Shareholders' meeting in August 2018 has no independent directors brought in. The Company takes the view that a wide circle of independent directors should not be involved in operation of the companies engaged in business of Defense-Industrial Complex of Russia (RF DIC). Specific character of equity capital structure and space industry in itself add complexity to adhering to this Code principle.
2.4.4	Independent directors play a crucial role in prevention of internal conflicts in the Company and taking significant corporate actions.	1. Independent directors (with no conflicts of interest) give a preliminary estimate of significant corporate actions which may entail conflict of interests, then this estimate results are submitted to the Board of Directors	☐ compliance ☐ partial compliance ☑ non-compliance	Significant corporate actions are open to discussion in all aspects at the Board of Directors meetings. Besides, important matters are to be agreed upon in advance with the holding company, State Corporation ROSCOSMOS.
2.5	Chairman of the Board of Directors helps to perform functions assigned to the Board of Directors in a more efficient way			
2.5.1	Chairman of the Board of Directors is elected from independent directors; or senior independent director is chosen from the elected independent directors who shall coordinate work being performed by independent directors and interface with the chairman of Board of Directors.	1. Chairman of the Board of Directors is independent director or senior independent director is chosen from the elected independent directors. 2. Role, rights and responsibilities of the Chairman of the Board of Directors (senior independent director if appropriate) are defined properly in the Company By-laws.	☐ compliance ☑ partial compliance ☐ non-compliance	Chairman of the Board of Directors is not independent director. Specific character of the equity capital structure adds complexity to adhering to the Code principle. Role, rights and responsibilities of the Board of Directors are clearly defined properly in the Regulations on the Board of Directors. Company takes the view that a wide circle of independent directors should not be involved in operation of the companies engaged in the RF DIC. All members of the Board of Directors may interface with the Chairman of the Board of Directors.

Item No	Corporate Governance Principles	Criteria for assessment of compliance with corporate governance principle	Status of compliance with corporate governance principle	Explanations of deviation from assessment criteria for compliance with corporate governance principle
2.5.2	Chairman of the Board of Directors creates constructive atmosphere during meetings being held, free discussion of the matters put on the agenda of a meeting; follow-up control of decisions taken at the Board of Directors.	1. Work efficiency of the Chairman of the Board of Directors was evaluated as part of the procedure to assess performance of the Board of Directors operation over the accounting period.	☐ compliance ☑ partial compliance ☐ non-compliance	Quality of the Board of Directors work is assessed annually. Overall assessment covers assessments of the committees work. Performance of the committees operation is considered at the Board of Directors meeting. No assessment of work efficiency of the chairman of Board of Directors was made separately. Chairman of the Board of Directors creates constructive atmosphere of the meetings being held, free discussion of the matters, follow-up control of the decisions taken at the Board of Directors.
2.5.3	Chairman of the Board of Directors takes action required to timely provide members of the Board of Directors with information essential to take decisions on the agenda items.	1. Company By-laws make the Chairman of the Board of Directors responsible for ensuring timely presentation of the materials on the Board of Directors meeting agenda items to the Board of Directors members.	☑ compliance ☐ partial compliance ☐ non-compliance	
2.6	Board of Directors members act in good faith and reasonably in the Company interests, as well as its shareholders, based upon adequate information, with due diligence and circumspection			
2.6.1	Board of Directors members take decisions with due regard for all information available, in the absence of conflict of interests with equitable attitude to the Company shareholders, within customary entrepreneurial risk.	1. Company By-Laws establish that member of the Board of Directors shall inform the Board of Directors in the event of any conflict of interests concerning any agenda item of the Board of Directors or its committee meeting, before discussion starts of respective agenda item. 2. Company By-laws provide for that Board of Directors member shall abstain from voting on any item which implies conflict of interest. 3. Company establishes the procedure under which the Board of Directors may obtain professional advice on the issues falling within its competence at the Company's expense.	☐ compliance ☑ partial compliance ☐ non-compliance	Recommendations on the issues concerning avoidance of conflict of interests by the Board of Directors member are implemented, provided for in the By-laws (Anticorrupt Practices at RSC Energia). No procedure was established under which the Board of Directors could obtain professional advice on the issues falling within its competence at the Company's expense.
2.6.2	Rights and responsibilities of the Board of Directors members are clearly defined and set forth in the Company By-Laws.	1. Company adopted and issued the By-laws which clearly define rights and responsibilities of the Board of Directors members.	☑ compliance ☐ partial compliance ☐ non-compliance	

Item No	Corporate Governance Principles	Criteria for assessment of compliance with corporate governance principle	Status of compliance with corporate governance principle	Explanations of deviation from assessment criteria for compliance with corporate governance principle
2.6.3	Board of Directors members have enough time to perform their duties.	1. Individual attendance of the Board of Directors and committees meetings, as well as time allowed to prepare for taking part in the meetings were taken account of in the procedure for assessment of the Board of Directors performance during the accounting period. 2. In accordance with the Company By-Laws, the Board of Directors members shall inform the Board of Directors about their intention to join managerial bodies of other entities (apart from subsidiary and allied companies of the Company), as well as about the fact of this assignment.	☑ compliance ☐ partial compliance ☐ non-compliance	Regulations on the Board of Directors provides for that the Board of Directors members in case of changed personal data shall forward to the Company changes entered in the form which includes data on taking part in managerial bodies of other entities.
2.6.4	All members of the Board of Directors are afforded an equal opportunity to gain access to the Company documents and information. Newly-elected members of the Board of Directors get sufficient information about the Company and Board of Directors' operation within the shortest period possible.	1. In accordance with the Company By-Laws, Board of Directors members are granted the right to gain access to documents and make inquiries concerning the Company and its subsidiary and allied companies, while executive bodies of the Company are bound to present respective information and documents. 2. Finalized program of familiarization for newly-elected members of the Board of Directors is available in the Company.	☐ compliance ☑ partial compliance ☐ non-compliance	No finalized program of familiarization measures for newly-elected members of the Board of Directors is available. These recommendations are implemented by forwarding the Company's By-laws (including them in electronic form) to the newly-elected Board of Directors members, provision of the Company's secretary contact data (which is not provided for in the By-laws).
2.7	Board of Directors meetings, preparation for them and participation of the Board of Directors members in them ensure efficient operation of the Board of Directors.			
2.7.1	Board of Directors meetings are held as required, with due regard for scope of work and challenges the Company faces during a definite period of time.	1. Board of Directors held at least six meetings over the accounting period.	☑ compliance ☐ partial compliance ☐ non-compliance	
2.7.2	Company By-laws establish the procedure for preparation and holding meetings of the Board of Directors which makes it possible for the Board of Directors to prepare properly for them.	1. Company approved the By-laws defining the procedure for preparation and holding Board of Directors meetings which also states that notice about holding a meeting shall be made as a rule at least 5 days before a date of its holding.	☑ compliance ☐ partial compliance ☐ non-compliance	

Item No	Corporate Governance Principles	Criteria for assessment of compliance with corporate governance principle	Status of compliance with corporate governance principle	Explanations of deviation from assessment criteria for compliance with corporate governance principle
2.7.3	Form of a meeting to be held by Board of Directors shall be determined taking into account urgency of the agenda items. Critically important problems shall be solved at full-time meetings.	1. Articles of Incorporation or By-Laws of the Company stipulate that critical problems (according to the List given in recommendation 168 of the Code) shall be considered at full-time meetings of the Board of Directors.	☐ compliance ☑ partial compliance ☐ non-compliance	Critical problems are solved at the full-time meetings of the Board of Directors, but no mention was made about it in the By-Laws. In taking a decision on form of a meeting to be held by the Board of Directors, the Chairman of the Board of Directors takes into account the recommendations provided by the Code of Corporate Governance and importance and urgency of the item, as well as a possibility of personal attendance of the meeting by most of the Board of Directors members. The company takes it that the redrafted Regulations on the Board of Directors should embody a possibility of BOD members to take part in the Board of Directors and BOD committees meetings by means of telecommunication facilities (using video-, teleconferencing).
2.7.4	Decisions on critical problems concerning the Company operation are taken at Board of Directors meeting by qualified majority or majority vote of all the elected Board of Directors members.	1. RSC Energia's Articles of Incorporation stipulate that decisions on critically important issues stated in recommendation 170 of the Code shall be taken at Board of Directors' meeting by qualified majority of no less than three-fourths of the votes or by majority vote of all the elected Board of Directors members	☑ compliance ☐ partial compliance ☐ non-compliance	Decisions on critical issues are taken by qualified majority of 2/3 of the votes or by majority vote of all the elected Board of Directors members.
2.8	Board of Directors sets up Committees for preliminary consideration of critically important issues concerning the Company operation			

Item No	Corporate Governance Principles	Criteria for assessment of compliance with corporate governance principle	Status of compliance with corporate governance principle	Explanations of deviation from assessment criteria for compliance with corporate governance principle
2.8.1	Committee on Audit consisting of independent directors is set up to preliminarily review the issues concerning supervision over financial-economic activity of the Company.	1. Board of Directors set up the Committee on Audit consisting exclusively of independent directors. 2. Company By-laws set forth tasks to the Committee on Audit, including tasks addressed in recommendation 172 of the Code. 3. At least one member of the Committee on Audit being independent director shall have an experience and knowledge in the field of financial statement preparation, analysis, assessment and audit. 4. Meetings of the Committee on Audit were held at least once a quarter during the accounting period.	☐ compliance ☑ partial compliance ☐ non-compliance	The Committee on Audit does not include independent directors, because the Company takes the view formed in rocket-space industry that a wide circle of independent directors shall not be brought in for work in the companies engaged in the field of DIC of Russia. External experts are included in the Committee membership. The rest of the recommendations are adhered to.
2.8.2	For preliminary consideration of the issues concerning efficient and transparent remuneration practice, the Committee on Remuneration was set up which consists of independent directors and is headed by independent director who is not chairman of the Board of Directors.	1. Board of Directors set up the Committee on Remuneration represented by only independent directors. 2. Chairman of the Committee on Remuneration is independent director who is not chairman of the Board of Directors. 3. Company By-laws set tasks to the Committee on Remuneration, including those addressed in recommendation 180 of the Code.	☐ compliance ☑ partial compliance ☐ non-compliance	Committee on Personnel and Remuneration includes not only independent directors due to the view taken by the Company with respect to the number of independent directors. External experts are included in the Committee membership, the rest of the recommendations are adhered to.
2.8.3	For preliminary consideration of the issues concerning personnel planning (continuity planning), professional staff and efficient operation of the Board of Directors, the Committee on nominations (appointments, personnel) was set up; most of its members are independent directors.	1. Board of Directors set up the Committee on nominations (or its tasks addressed in recommendation 186 of the Code are fulfilled by other Committee); most of the Committee's members are independent directors. 2. Company By-laws define tasks set to the Committee on nominations (or respective Committee with the combined functions), including the tasks stated in recommendation 186 of the Code).	☐ compliance ☑ partial compliance ☐ non-compliance	Tasks set to the Committee on nominations are partially implemented within the framework of the Committee on Personnel and Remuneration.

Item No	Corporate Governance Principles	Criteria for assessment of compliance with corporate governance principle	Status of compliance with corporate governance principle	Explanations of deviation from assessment criteria for compliance with corporate governance principle
2.8.4	With due regard to the Company Scope of work and risk level, the Board of Directors made sure that its Committees' staff is in full agreement with the objectives which are to be achieved by the Company during its operation. Additional Committees were either set up, or recognized as unnecessary (Committee on Strategy, Committee on Corporate Governance, Committee on ethics, Committee on Risk Management, Budget Committee, Committee on Health, Safety and Environment, etc.)	1. Over the accounting period, the Company Board of Directors considered the issue of whether its Committees' membership is consistent with the Board of Directors objectives and aims of the Company operation. Additional Committees either were set up, or were recognized as unnecessary.	☐ compliance ☑ partial compliance ☐ non-compliance	The Board of Directors believes that the existing Committee's membership is in full agreement with the objectives and the scope set by the Company. The issues of setting up other (new) Committees were not initiated; nor were they considered.
2.8.5	Composition of the Committees was selected so that it was possible to hold thorough discussion of the issues being considered beforehand with due regard for different opinions.	1. Board of Directors Committees are headed by independent directors. 2. Company By-laws (policies) stipulate the provisions under which the persons who are not members of the Committee on Audit, Committee on Nominations and Committee on Remuneration, may attend meetings of the Committees only at the invitation of the chairman of relevant Committee.	☐ compliance ☑ partial compliance ☐ non-compliance	During the accounting period the committees are not headed by independent directors, because the Company maintains the position accepted in rocket-space industry that the companies operating in the RF Defense-Industry Complex must not bring in a wide circle of independent directors to take part in running their business. Specific character of the equity capital structure adds complexity to adhering to this Code principle. The Committee Chairmen are to be the persons with a broad experience in the committee operation matters. The Regulations on committees provide for clauses, under which the persons who are not members of the Committees may attend committees' meetings only at the invitation of chairman of relevant committee.
2.8.6	Committees chairmen keep the Board of Directors and its chairman informed about operation of their committees.	1. During the accounting period, chairmen of the Committees reported on the committees operation to the Board of Directors on a regular basis	☑ compliance ☐ partial compliance ☐ non-compliance	
2.9	Board of Directors ensures quality assessment of the Board of Directors, its Committees operation and Board of Directors' members performance			

Item No	Corporate Governance Principles	Criteria for assessment of compliance with corporate governance principle	Status of compliance with corporate governance principle	Explanations of deviation from assessment criteria for compliance with corporate governance principle
2.9.1	Board of Directors operation quality assessment is aimed to determine level of efficiency of the Board of Directors, Committees operation, Board of Directors' members performance; degree of their work conformity with the Company changing needs; to boost Board of Directors activity and identify areas where their activity can be improved.	1. Self-appraisal or outside assessment of the Board of Directors operation performed during the accounting period, included evaluation of the committees activities, performance of certain members of the Board of Directors and the Board of Directors as a whole. 2. Results of self-appraisal or outside assessment of the Board of Directors performed during the accounting period, were reviewed at full-time meeting of the Board of Directors.	☐ compliance ☑ partial compliance ☐ non-compliance	Assessment of the Board of Directors operation is made every year and includes evaluation of the committees operation. The assessment results in the accounting period were considered at the Board of Directors meeting held as absentee voting meeting due to "tight" work schedule of the chairman and members of the Board of Directors in the accounting period.
2.9.2	Assessment of the Board of Directors, Committees operation and Board of Directors members performance is made on a regular basis at least once a year. Outside organization (consultant) is brought in to assess independently quality of the Board of Directors work at least one time per three years.	1. In order to make an independent assessment of the Board of Directors work quality, an outside organization (consultant) was brought in by the Company during the three last accounting periods at least once.	☐ compliance ☐ partial compliance ☑ non-compliance	Board of Directors work quality is assessed annually. During the accounting period, outside organization was not brought in due to extra expenses restraint.
3.1	Corporate Secretary of the Company carries out current efficient interaction with shareholders; coordinates the Company actions relative to protection of shareholders' rights and interests; supports efficient Board of Directors' operation.			
3.1.1	Corporate Secretary has knowledge, experience and qualification sufficient to be able to perform duties he is entrusted with; also he has impeccable reputation and enjoys confidence on the shareholders' part.	1. Company adopted and made public its in-house document: Provision on Corporate Secretary. 2. Company Internet site and Annual Report present personal data on Corporate Secretary, degree of detailing of which is identical to those for Board of Directors and executive management members of the Company.	☐ compliance ☐ partial compliance ☑ non-compliance	Board of Directors found it inadvisable to introduce a position of RSC Energia's corporate secretary (Minutes No4 of 20.02.2012) due to the fact that legislation is vague about it. Also Board of Directors noted that there is no requirement about binding introduction of the above position in current legislation. Permanent position of corporate secretary is not introduced in the Company. The By-laws establish that the Board of Directors elects its secretary who actually performs functions of corporate secretary.

Item No	Corporate Governance Principles	Criteria for assessment of compliance with corporate governance principle	Status of compliance with corporate governance principle	Explanations of deviation from assessment criteria for compliance with corporate governance principle
3.1.2	Corporate Secretary is granted independence from executive bodies of the Company and given authority and resources required to fulfill tasks set to him (her).	1. Board of Directors approves corporate secretary appointment, his discharge from the position, as well as extra remuneration.	☐ compliance ☑ partial compliance ☐ non-compliance	Board of Directors elects secretary of the Board of Directors who actually performs corporate secretary functions and at any time the Board of Directors may take a decision on his (her) reelection. Extra remuneration for performance of corporate secretary functions is not provided for.
4.1	Size of remuneration being paid by the Company is sufficient to attract, motivate and retain the persons with competence and qualification required for the Company. Remuneration to the Board of Directors, executive bodies members and other key officials of the Company is paid in accordance with the remuneration policy adopted in the Company.			
4.1.1	Size of remuneration granted to the Board of Directors, executive bodies members and other key officials by the Company provides adequate motivation for their efficient service which makes it possible for the Company to attract and retain competent and highly skilled specialists. In so doing, the Company prevents size of remuneration unreasonably higher than required, as well as unreasonably great gap between sizes of remuneration of the above persons and the rest of the employees of the Company.	1. Company adopted the By-laws such as the Policy (policies) of remuneration for the Board of Directors, executive bodies members and other key officials, which clearly define approaches to remuneration of the above persons.	☐ compliance ☑ partial compliance ☐ non-compliance	Document defining the procedure for remuneration calculation and payment and reimbursement of expenses to the BOD members is adopted. Principles of remunerating executive bodies members and other key personnel are based upon using KPIs. The Procedural guidelines on the KPI use in State Corporation ROSCOSMOS and related organizations were put into effect. Developed and applied are KPI charts for executive bodies members.
4.1.2	Company Policy on remuneration was established by the Committee on Remuneration and approved by RSC Energia Board of Directors. Board of Directors assisted by the Committee on Remuneration monitors introduction and implementation of the remuneration policy in RSC Energia, as well as reviews it and amends it if necessary.	1. During the accounting period, the Committee on remuneration reviewed the remuneration policy (policies) and its implementation practice and submitted respective recommendations to the Board of Directors in case of need.	☐ compliance ☐ partial compliance ☑ non-compliance	In the accounting period, the results of applying remuneration principles with respect to executive bodies members and other key personnel based upon KPIs were reviewed. These assessment results can provide background for updating the existing documents regulating the remuneration procedure.

Item No	Corporate Governance Principles	Criteria for assessment of compliance with corporate governance principle	Status of compliance with corporate governance principle	Explanations of deviation from assessment criteria for compliance with corporate governance principle
4.1.3	Company Remuneration Policy covers transparent mechanisms for determining size of remuneration to be paid to the Board of Directors, executive bodies members and other key officials of RSC Energia, as well as regulates all kinds of payments, benefits and privileges to be granted to the above persons.	1. Company remuneration policy (policies) covers transparent mechanisms for determining size of remuneration to the Board of Directors, executive bodies members and other key officials, as well as regulates all kinds of payments, benefits and privileges to be granted to the above persons.	☐ compliance ☑ partial compliance non-compliance	See Comments to item 4.1.1 and 4.1.2
4.1.4	Company defines the policy of compensating for expenses (compensations) specifying the List of costs to be reimbursed, as well as level of service that the Board of Directors, executive bodies members and other key officials of the Company may claim. This policy may be part of the Company remuneration policy.	1. Company remuneration policy (policies) or other By-laws of RSC Energia establish rules for compensating for expenses incurred by the Board of Directors, executive bodies members and other key officials.	☑ compliance ☐ partial compliance ☐ non-compliance	
4.2	Remuneration system of the Board of Directors members ensures that the Directors' financial interests come closer with long-term financial interests of the shareholders.			
4.2.1	Company pays fixed remuneration on annual basis to the Board of Directors members. Company shall not pay remuneration for attendance of separate meetings of the Board of Directors or its Committees. Company does not practice forms of short-term motivation and additional incentive fees with respect to the Board of Directors members.	1. Fixed annual remuneration is the only monetary reward of the Board of Directors members for their service in the Board of Directors during the accounting period.	☐ compliance ☐ partial compliance ☑ non-compliance	The Company-approved document which determines the procedure for remuneration of the Board of Directors members, provides for payment of remuneration consisting of two parts: fixed and variable. Variable part depends upon the Company financial results during corresponding years. Size of remuneration to the Board of Directors members is differentiated depending on volume of duties to be performed by director in the Board of Directors so that additional time spent on performance of the chairman of the Board of Directors, Committee member, chairman of the Committee functions is reflected. With respect to the Board of Directors members, not any forms of short-term motivation and extra incentive fees are used.

Item No	Corporate Governance Principles	Criteria for assessment of compliance with corporate governance principle	Status of compliance with corporate governance principle	Explanations of deviation from assessment criteria for compliance with corporate governance principle
4.2.2	Long-term equity ownership tends to draw nearer financial interest of the Board of Directors and long-term interests of the shareholders. In so doing, the Company does not make dependent the rights to sell shares on achievement of specific performance indicators; neither the Board of Directors members take part in options programs.	1. If any in-house document (documents) such as the Company remuneration policy (policies) provides for granting of the Company shares to the Board of Directors members, clearly-defined rules of equity ownership by the Board of Directors members aimed to encourage long-term possession of these shares shall be foreseen and made public.	☑ compliance ☐ partial compliance ☐ non-compliance	In-house document on remuneration does not provide for making the shares available to the Board of Directors members.
4.2.3	Company does not provide for any additional payments or compensations in case of early termination of powers by the Board of Directors members due to handover of control over the Company or other circumstances.	1. Company does not provide for any additional payments or compensations in case of early termination of the Board of Directors members powers due to handover of control over the Company or other circumstances.	☑ compliance ☐ partial compliance ☐ non-compliance	
4.3	Remuneration system for executive bodies members and other key officials of the Company provides for dependence of remuneration on the Company performance and their personal contribution to achievement of the results.			
4.3.1	Remuneration of executive bodies members and other key officials of the Company is determined so that reasonable and justified relation between fixed part and variable part of remuneration is ensured based upon the Company performance and personal (individual) contribution of employee to the end result.	1. During the accounting period, annual efficiency indicators approved by the Board of Directors were applied to determine size of variable remuneration to be paid to executive bodies members and other key officials of the Company. 2. During the recent assessment of the remuneration system for executive bodies members and other key officials, the Board of Directors (Committee on Remuneration) made sure that the Company practiced efficient relation between the fixed remuneration part and its variable part. 3. Company provides for the procedure ensuring return of bonus payments to the Company which were illegally received by the executive bodies members and other key officials of RSC Energia.	☐ compliance ☑ partial compliance ☐ non-compliance	The Company documents currently in force which regulate top management remuneration procedure provide for size of remuneration tied to individual action plans of employees, as well as the Company performance over relevant accounting period. In the event that the facts of illegal bonus payments to employees are established, RSC Energia is ready to reimburse for the expenses under the RF labour legislation, including judicial recourse which is regarded as the most effective method for bonus payments reimbursement.

Item No	Corporate Governance Principles	Criteria for assessment of compliance with corporate governance principle	Status of compliance with corporate governance principle	Explanations of deviation from assessment criteria for compliance with corporate governance principle
4.3.2	Company has implemented the program to motivate executive bodies members and other key officials of the Company by using its stock (options or other derivatives based upon RSC Energia's stock).	1. Company has implemented the program of long-term motivation for members of the Company executive bodies and its other key officials by using RSC Energia's stock (financial instruments based upon the Company stock). 2. Program of long-term motivation for executive bodies members and other key officials of the Company envisages that the right to sell the stock and other financial instruments involved in this program becomes effective not earlier than three years after the date of their being made available. In so doing, the right to sell them is tied to achievement by them of specific indicators of the Company operation.	☐ compliance ☐ partial compliance ☑ non-compliance	In the near future, the Company does not intend to implement this program due to the risks associated with conflict of interests which may arise from top management activity.
4.3.3	Amount of compensation ("golden parachute") to be paid by the Company in the event of early termination of the powers to executive bodies members or key executives on the Company's initiative and in the absence of acts in bad faith on their part shall not be higher than double the amount of fixed part of annual remuneration.	1. Amount of compensation ("golden parachute") to be paid by the Company in the event of early termination of the powers to executive bodies members or key executives on the Company's initiative and in the absence of acts in bad faith on their part did not exceed double the amount of fixed part of annual remuneration during the accounting period.	☑ compliance ☐ partial compliance ☐ non-compliance	Amount of compensation is determined as being equal to three average monthly salaries.
5.1	Company established efficiently operating risk management and internal control system aimed to ensure reasonable confidence in achievement of the objectives set to the Company.			

Item No	Corporate Governance Principles	Criteria for assessment of compliance with corporate governance principle	Status of compliance with corporate governance principle	Explanations of deviation from assessment criteria for compliance with corporate governance principle
5.1.1	Company Board of Directors established concepts and approaches to organizing risk management and internal control system in RSC Energia	1. Functions of different control bodies and subdivisions of the Company with respect to risk management and internal control system are clearly defined in the Company By-laws/corresponding corporate policy approved by the Board of Directors.	☐ compliance ☑ partial compliance ☐ non-compliance	Risk management and internal control system is currently under development. The Company set up internal audit department subordinate functionally to the Board of Directors. Also control-auditing department subordinate to executive bodies was established. Risk management function is distributed among the departments. The Control-Auditing Office of the Company implements package of measures focused on organizing risk management and internal control system to prevent and combat corruption. Board of Directors auditing committee approved the Regulations on internal audit department which secure functions of the department related to risk control and assessment in the Company. Also the auditing committee approved the Regulations on internal control system of RSC Energia. In order to tighten internal control, the Board of Directors reviewed on a regular basis the issues of compliance with the requirements of anitcorrupt practice laws and prevention of corruption and other infringements during day-to-day activities over the accounting period.
5.1.2	Company executive bodies ensure development and maintenance of efficiently operating risk management and internal control system in the Company.	1. Company executive bodies provided distribution of functions and powers regarding risk management and internal control system among managers (heads) of divisions and departments accountable to them.	☑ compliance ☐ partial compliance ☐ non-compliance	

Item No	Corporate Governance Principles	Criteria for assessment of compliance with corporate governance principle	Status of compliance with corporate governance principle	Explanations of deviation from assessment criteria for compliance with corporate governance principle
5.1.3	Company risk management and internal control system gives an impartial, fair and clear idea about current standing and prospects of RSC Energia; ensures integrity and transparency of its reporting, as well as acceptability of the risks the Company faces.	1. Company approved the policy to act against corruption. 2. Company developed a simple method to inform the Board of Directors or its Committee on Audit about the facts of violating law, internal procedures, code of ethics of RSC Energia.	☑ compliance ☐ partial compliance ☐ non-compliance	The Company approved Anticorrupt practices policy, as well as other follow-up documents were accepted (including Code of Ethics and Conduct of the Company Employees; Regulations on reporting by RSC Energia's employees information about their being given gifts due to their position or official duties they perform, handing gifts over and their assessment, selling (buyout) and crediting an account with the amount received from their sale; Regulations on Conflict of Interests; Regulations on the Committee on meeting the requirements for official conduct of employees and settlement of conflict of interests; the Procedure to notify RSC Energia about the facts of reporting incitement of the Company employees to committing corruption offences; Provision on "hot line" on the issues to combat corruption in the Company). The accounting period saw the efforts undertaken to combat corporate fraud and corruption. The Company site places telephone numbers for feedback communication in order to report the facts of corruption. The Company is included in Consolidated Register of Anticorruption Charter of Russian Business Participants.
5.1.4	Company Board of Directors undertakes all required measures to make sure that the risk management and internal control system existing in the Company is consistent with the concepts and approaches to its organization defined by the Board of Directors and operates efficiently.	1. During the accounting period, the Board of Directors or the Committee on Audit at the Board of Directors assessed efficiency of the risk management and internal control system operation. Information about the main results of the assessment made is part of the Company Annual Report.	☐ compliance ☑ partial compliance ☐ non-compliance	During the accounting period, the Committee on Audit gave assessment of internal control system efficiency every quarter. With respect to risk management and internal control system efficiency, see Note to item 2.1.3.
5.2	For systematic independent assessment of reliability and efficiency of the risk management and internal control system, as well as the corporate governance practice, the Company arranges conduct of internal audit.			

Item No	Corporate Governance Principles	Criteria for assessment of compliance with corporate governance principle	Status of compliance with corporate governance principle	Explanations of deviation from assessment criteria for compliance with corporate governance principle
5.2.1	For conduct of internal audit, the Company set up separate organizational department or independent outside organization is brought in. Functional and administrative accountability of internal audit department are differentiated. Internal audit department is functionally subordinate to the Board of Directors.	1. For conduct of internal audit in the Company separate organizational department of internal audit subordinate functionally to the Board of Directors was set up or independent outside organization was brought in which was based upon the same principle of accountability.	☑ compliance ☐ partial compliance ☐ non-compliance	Internal Audit Department functionally accountable to the Committee on Audit was set up.
5.2.2	Internal Audit Department gives assessment of internal control system efficiency; assessment of risk management system efficiency, as well as corporate governance system. Company employs generally accepted standards for internal audit activity.	1. During the accounting period, assessment was given of efficiency of the risk management and internal control system as part of internal audit activity. 2. Company uses generally accepted approaches to internal control and risk management.	☐ compliance ☑ partial compliance ☐ non-compliance	Assessment of the internal control system efficiency by particular lines of activity was made as review and approval of the Internal Audit Department quarterly reports by the Committee on Audit of the Board of Directors.
6.1	Company and its activity are transparent for the shareholders, investors and other persons concerned.			
6.1.1	Company formulated and adopted information policy which ensures efficient information communication with the Company, shareholders, investors and other persons concerned.	1. Board of Directors of RSC Energia approved its information policy formulated with due regard for the recommendations stated in the Code. 2. Board of Directors (or one of its Committees) considered the issues concerning the Company adherence to its information policy at least once over the accounting period.	☐ compliance ☑ partial compliance ☐ non-compliance	Board of Directors has not approved the Company information policy. RSC Energia is guided by the legislation requirements for information disclosure by joint-stock companies. Procedure to submit information to shareholders is stated in the Articles of Association (Art.42) and the Provision on information submission at the request of RSC Energia shareholders approved by the Board of Directors (Minutes No 1 of 07.08.2017). The Company established its own Internet site and supports it (also English version of the site is maintained); this site places (among other things) the shareholders' section with relevant information. The site presents contact data (phone, fax, E-mail address) which can be used by the persons concerned for requesting information and discussing various matters.

Item No	Corporate Governance Principles	Criteria for assessment of compliance with corporate governance principle	Status of compliance with corporate governance principle	Explanations of deviation from assessment criteria for compliance with corporate governance principle
6.1.2	Company shall disclose information about the corporate governance system and practice, including detailed information about adherence to the principles and recommendations set forth in the Code.	1. Company discloses information about the Company corporate governance system and corporate general governance concepts being used at RSC Energia, including its Internet site. 2. Company discloses information about the membership of its executive bodies and Board of Directors, independence of the Board members and their participation in the Committees at the Board of Directors (as defined in the Code). 3. Should there be any person exercising control over the Company, RSC Energia shall issue memorandum concerning this person exercising control with respect to his intentions regarding corporate governance in the Company.	☑ compliance ☐ partial compliance ☐ non-compliance	
6.2	Company promptly discloses full, urgent and reliable information about its operation to ensure that reasonable decisions are taken by the Company shareholders and investors.			
6.2.1	Company shall disclose information according to the principles of regularity, consistency and promptitude, as well as accessibility, reliability, completeness and comparability of data being disclosed.	1. Company information policy defines approaches and criteria for determining information which could affect assessment given to the Company and value of its securities, as well as the procedures ensuring prompt disclosure of information like that. 2. In the event that the Company securities circulate on foreign organized markets, disclosure of pertinent information both in the Russian Federation and on these markets is performed simultaneously and equivalently during the accounting year. 3. If foreign shareholders hold significant number of the Company shares, then information is disclosed not only in Russian, but also in one of the most commonly-used foreign languages.	☐ compliance ☑ partial compliance ☐ non-compliance	Company follows the legislation requirements for information disclosure by joint-stock companies. Company established and supports its own Internet site. Also the English version of its site is maintained. The Company places its Annual Report in English on its site. Foreign shareholders hold insignificant number of the Company shares.

Item No	Corporate Governance Principles	Criteria for assessment of compliance with corporate governance principle	Status of compliance with corporate governance principle	Explanations of deviation from assessment criteria for compliance with corporate governance principle
6.2.2	Company avoids formalistic approach to information disclosure and makes public pertinent information about its activity, even though disclosure of this information is not provided for in the legislation.	1. During the accounting period, the Company disclosed both annual financial statements and semi-annual financial statement prepared by IAS standards. The Company Annual Report over the accounting period covered annual financial statements prepared by IAS standards along with the auditor's report. 2. Company discloses full information about capital structure as per Recommendation 290 of the Code which can be found in the Annual Report and on the Internet site of the Company.	☑ compliance ☐ partial compliance ☐ non-compliance	Company discloses annual and semi-annual financial statements prepared by IAS standards. The financial statements prepared by RAS standards is an integral part of the Annual Report.
6.2.3	Annual Report as one of the most important instruments of information communication with the shareholders and other parties concerned covers information which makes it possible to give assessment of the Company annual performance.	1. Company Annual Report contains information about the key aspects of the Company operation and its financial performance. 2. Company Annual Report addresses information about ecological and social aspects of the Company activity.	☑ compliance ☐ partial compliance ☐ non-compliance	
6.3	Company shall furnish information and submit documents at shareholders' requests in accordance with the principles of equal availability and being free from encumbrance.			
6.3.1	Company shall furnish information and submit documents at shareholders' requests according to the principles of equal availability and being free from encumbrance.	1. Company information policy establishes unencumbered procedure to provide the shareholders access to information, including information about the legal entities as subsidiary companies as shareholders' request.	☐ compliance ☑ partial compliance ☐ non-compliance	Formalized provision on information policy has not been approved. Board of Directors approved the Provision on information submission at the request of RSC Energia shareholders. Company furnishes information and submits documents at shareholders' requests in accordance with the principles of equal availability and being free from encumbrance. The Company site places the procedure for information presentation to shareholders and information about amount of payment for making document copies.

Item No	Corporate Governance Principles	Criteria for assessment of compliance with corporate governance principle	Status of compliance with corporate governance principle	Explanations of deviation from assessment criteria for compliance with corporate governance principle
6.3.2	When the Company makes information available to the shareholders, the balance is kept between specific shareholders' interests and interests of the Company itself which tries to maintain confidentiality of important commercial information with a potential significant effect on its competiveness.	1. During the accounting period the Company did not refuse to meet shareholders' requests or these refusals were well-grounded. 2. There are cases specified by the Company information policy when the shareholders are notified about confidential character of information and they commit themselves to keep it confidential.	☑ compliance ☐ partial compliance non-compliance ☐ non-compliance	During the accounting period, the shareholders were never refused to meet their requests about making relevant information available. Confidential information may be made available with certain restrictions and never will be made available until confidentiality agreement has been signed (the above conditions were stipulated in the Provision on information submission at the request of RSC Energia shareholders approved by its Board of Directors).
7.1	Actions that affect to a considerable extent or may affect equity capital structure and financial standing of the Company and shareholders' position, respectively, (Material corporate actions) shall be conducted on fair terms ensuring adherence to the rights and interests of shareholders, as well as other parties concerned.			
7.1.1	Material corporate actions mean reorganization of the Company; acquisition of 30% and more of voting shares of RSC Energia (take-over), making major transactions by the Company; increase or decrease in the charter capital of the Company; conduct of listing and delisting of the Company stock; as well as other actions which can result in significant changes of the shareholders rights or affect their interests. RSC Energia Articles of Association determine the list (criteria) of transactions or other actions being material corporate actions; such actions being referred to competence of the Company Board of Directors.	1. Company Articles of Incorporation determine the list of transactions or other actions recognized as material corporate actions and criteria for their determination. Taking decisions on material corporate actions falls within competence of the Board of Directors. In those cases when the legislation directly assigns conduct of these corporate actions to the competence of general shareholders' meeting, the Board of Directors shall give the shareholders corresponding recommendations. 2. Company Articles of Association recognize the following corporate actions as material (as a minimum): reorganization of the Company; acquisition of 30% and more of its voting shares (take-over); making major transactions by the Company; increase or decrease in the charter capital of the Company; listing and delisting of the Company stock.	☑ compliance ☐ partial compliance ☐ non-compliance	Company Articles of Association do not use term "material corporate actions", but define a reasonably long list of the transactions and actions decisions upon which are to be taken by the Board of Directors. In cases when the issues are referred to by the legislation to competence of general shareholders' meeting, the Board of Directors shall provide corresponding recommendations on which qualified majority (2/3 of their total number) will take decision.

Item No	Corporate Governance Principles	Criteria for assessment of compliance with corporate governance principle	Status of compliance with corporate governance principle	Explanations of deviation from assessment criteria for compliance with corporate governance principle
7.1.2	Board of Directors plays a crucial role in taking decisions or giving recommendations on material corporate actions; in so doing, the Board of Directors relies upon position taken by independent directors of the Company.	1. Corporate provides for the procedure according to which independent directors declare their position on material corporate actions prior to their approval.	☐ compliance ☐ partial compliance ☑ non-compliance	Procedure is not foreseen due to the view taken by the Company not to involve a wide circle of independent directors in the companies operating in the field of the RF DIC. In fact, the Chairman of the Board of Directors aims to ensure taking decisions on critical issues by unanimous voting of all Board of Directors members.
7.1.3	In taking material corporate actions affecting shareholders' rights and legitimate interests, all shareholders of the Company are afforded equal conditions; moreover, additional measures protecting the rights and legitimate interests of the Company shareholders are foreseen in the event that mechanisms stipulated by law and aimed to protect the shareholders rights are not well enough. In so doing, the Company does not only follow formal requirements of current legislation, but also adheres to the corporate governance principles stated in the Code.	1. Company Articles of Association with due regard for special features of its operation set lower criteria for assigning the Company transactions to material corporate actions than minimum criteria stipulated by law. 2. During the accounting period, all material corporate actions went through the approval procedure prior to their being taken.	☐ compliance ☑ partial compliance ☐ non-compliance	Company Articles of Association do not use term "material corporate actions", but set lower criteria for assigning the Company transactions to the Board of Directors competence than it is stipulated by law.
7.2	Company procedure for taking material corporate actions makes it possible for the shareholders to get full information about actions like that on time; to influence taking these actions and guarantee adherence to and adequate level of their rights protection while taking these actions			
7.2.1	Information about taking material corporate actions is disclosed with clarifying the reasons for, conditions and consequences of taking these actions.	1. During the accounting period the Company disclosed information about its material corporate actions, including the reasons for them and due dates for taking these actions.	☑ compliance ☐ partial compliance ☐ non-compliance	During the accounting period the Company disclosed information as messages about material facts. Also the Company discloses information on its Internet site.

Item No	Corporate Governance Principles	Criteria for assessment of compliance with corporate governance principle	Status of compliance with corporate governance principle	Explanations of deviation from assessment criteria for compliance with corporate governance principle
7.2.2	Rules and procedures related to taking material corporate actions by the Company are set forth in RSC Energia's By-laws.	1. Company By-laws provide for the procedure to bring independent appraiser in to provide assessment of property being alienated or acquired under big deal or interested-party transaction. 2. Company By-laws provide for the procedure to bring independent appraiser in to provide assessment of RSC Energia's stock acquisition and redemption. 3. Company By-laws provide for the extended list of reasons for which RSC Energia Board of Directors members and other persons stipulated by law are recognized interested in the Company transactions.	☐ compliance ☑ partial compliance ☐ non-compliance	Company distinguishes other categories of transactions in effecting of which their price shall be determined by independent appraiser involved (transactions having to do with acquisition/alienation of real property, stock (shares) of other joint-stock companies, etc.). The documents (Provision on Procurement Activity and other documents) specifying the procedure for bringing third persons in to provide services (including those of appraisers) are effective in the Company. The Company currently does not intend to extend the List of reasons for interest due to the fact that the Company prepared a wide list of the transactions assigned to the Board of Directors competence. In addition, there is the procedure for transactions agreement effective in the Company which makes it possible to reveal indications of informal interest or conflict of interests.

Appendix 5 / Information about large deals effected in 2018

Information about large deals effected by RSC Energia during accounting year, including the List of the transactions made by RSC Energia during the accounting year and recognized in accordance with Federal Law «Joint-Stock Companies» as large deals, as well as other transactions, effecting of which is subject to the procedure for large deals approval as stipulated in the Company Articles of Association, each transaction being accompanied by information about its material terms and the Company managerial body which took decision on its approval

No transactions recognized by Federal Law «On Joint-Stock Companies» as large deals and requiring approval by appropriate Company managerial bodies have been effected in the accounting year.

Company Articles of Association do not lay down other cases when large deals approval procedure provided by the Federal Law «On Joint-Stock Companies» is applied to the transactions being effected by the Company.

Appendix 6 / Report on the interested-party transactions effected by RSC Energia in 2018

Report on the interested-party transactions effected by RSC Energia in 2018 is prepared in accordance with the requirements set out in para 1.1, Art.81 of Federal Law «On Joint Stock Companies» and attached as the Appendix to this Annual Report on the 2018 performance.

Report on the interested-party transactions effected by RSC Energia in 2018 was approved by RSC Energia Board of Directors at its meeting held on May 27, 2019 (Minutes No 20 of 28.05.2019).

Consistency of data addressed in the Report on the interested-party transactions effected by RSC Energia in 2018 has been confirmed by RSC Energia Auditing Committee resolution.

REPORT ON THE INTERESTED-PARTY TRANSACTIONS EFFECTED BY RSC ENERGIA IN 2018

Item No	Date of effecting transaction	Subject of transaction/Material conditions	Parties to transaction	Information about approval	Interested parties for transactions whose size is more than 2% - reason for interest	Reference to Internet web site
1.	27.02.18	Contract for provision of services in support of the ISS RS/US Segment integration, as well as integration with equipment being developed by other ISS Program participants; ensuring activity related to drawing up international programs to explore and develop far-out space, including circumlunar space. Price of services: 269 576 960 rubles Periods of services performance: from 01.05.2017 through 31.10.2018	State Corporation ROSCOSMOS (Customer) RSC Energia (Contractor)	No request for approval	State Corporation ROSCOSMOS (taking into account both its direct and indirect holding of RSC Energia's stock) is the holding company for RSC Energia. At the time of making the transaction, the Board of Directors Chairman I.A. Komarov was simultaneously the Director General of State Corporation ROSCOSMOS, RSC Energia Board of Directors member S.K. Krikalev was the representative of the party to the transaction – State Corporation ROSCOSMOS.	
2.	12.03.18	Frame contract for the bank guarantee. Guarantor by the Principal's written application commits itself to issue bank guarantees in favour of the Beneficiaries within the period from the date of signing the contract till 31.12.2021. Possible beneficiaries circle: legal persons-residents of the Russian Federation, including government bodies, the Russian Federation customs and taxation bodies, local authorities, goods purchase customers; customers of work, services to satisfy government and municipal needs. List of possible Principal's commitments under which the Guarantor shall ensure performance of the following: - Principal's commitment to provide applications for taking part in tenders/contests/actions/requests for proposals, other procurement methods (further referred to as the Procurement) implemented the Beneficiaries; - commitments to execute the contracts (further referred to as the Contracts) to be entered into/entered into between the Principal and the Beneficiaries, including the Contracts to be entered into/entered into by the results of the Procurement activities conducted by the Beneficiaries; - return to budget of the amount of value-added tax overpaid to the Principal (entered to the Principal's account) as the result of value-added tax reimbursement through application procedure as per article 176.1 of the Russian Federation Tax Code; - in order to secure other Principal's commitments, including	Guarantor – Gazprombank Joint Stock Company (Bank GPB (AO)) Principal-RSC Energia.	Board of Directors Minutes No4 of 28.09.2017	At the time of making the transaction, RSC Energia Board of Directors member A.A. Gavrilenko was the Board of Directors member of the party to the transaction – Joint Stock Company Gazprombank.	**http://www.e-disclosure.ru/portal/event.aspx?EventId=U379gn0GrEiDJ-CkJmYHcTg-B-B** Message about material fact «On making of the interested-party transaction by the issuer» **http://www.e-disclosure.ru/portal/event.aspx?EventId=L-AvX538CiUOTcd5njSnWSA-B-B** Message about material fact «Information about the issuer's Board of Directors meeting held, as well as about the following decisions taken by the issuer's Board of Directors: on interested-party transaction approval»

Item No	Date of effecting transaction	Subject of transaction/Material conditions	Parties to transaction	Information about approval	Interested parties for transactions whose size is more than 2% - reason for interest	Reference to Internet web site
		those provided for by the Russian Federation legislation. Each guarantee validity is no later than 31.12.2022. Maximum total amount of simultaneously valid Guarantees: 3 000 000 000 rubles; Interest rate for each guarantee issue is no more than 0,8% per annum.				
3.	19.03.18	Assignment contract. Agreement on assignment under which OOO Energia-Logistics shall assign RSC Energia the following rights of claim for reimbursement: 1) Right of claim to the Sea Launch SA in the amount of 58.174.548 US dollars (in rubles at the exchange rate of the Bank of Russia established on the date of effecting the payment), arising from contract No SLAG-ELRF-13052 of 10.07.2013. 2) Right of claim to the Sea Launch SA arising from contract of debt No2-2014 of 16.12.2014 in the total amount of 470.532.274 rubles. 3) Right of claim to the Sea Launch SA arising from contract of debt No1-2015 of 10.04.2015 in the total amount of 157.588.615 rubles. 4) Right of claim to the Sea Launch SA arising from contract of debt No2-2015 of 27.08.2015 in the total amount of 1.247.734.906 rubles. 5) Right of claim to the Sea Launch SA arising from contract of debt No1-2016 of 15.03.2016 in the total amount of 579.629.502 rubles. 6) Right of claim to the Sea Launch SA arising from contract of debt No3-2016 of 22.08.2016 in the total amount of 645.360.691 rubles. 7) Right of claim to the Sea Launch SA arising from contract of debt No1-2017 of 14.03.2017 in the total amount of 187.865.766 rubles. Altogether, aggregate value of all the rights of claim to be assigned under this Agreement is 6.633.410.852 rubles RSC Energia undertakes to pay OOO Energia-Logistics for the rights being assigned 6.633.410.852 rubles. Term of the commitments performance under the transaction: Transfer of the rights of claim: 19.03.2018; payment for the rights being assigned: 25.12.2018.	RSC Energia (Cessionary) OOO Energia-Logistics (Cedent)	Board of Directors Minutes No18 of 19.03.2018	State Corporation ROSCOSMOS (taking into account both its direct and indirect holding of RSC Energia's stock) is the controlling person of the parties to the transaction: RSC Energia (direct control) and OOO Energia-Logistics (indirect control)	**http://www.e-disclosure.ru/portal/event.aspx?EventId=fOBkxVwwu0WAbIpc6aDeLA-B-B** Message about material fact «Information about the issuer's Board of Directors meeting held, as well as about the following decisions taken by the issuer's Board of Directors: on interested-party transaction approval» **http://www.e-disclosure.ru/portal/event.aspx?EventId=6PIZ0z2rnE22HcAaiRwo2w-B-B** Message about material fact «On making of the interested-party transaction by the issuer»

Item No	Date of effecting transaction	Subject of transaction/Material conditions	Parties to transaction	Information about approval	Interested parties for transactions whose size is more than 2% - reason for interest	Reference to Internet web site
4.	16.04.18	Intercredit Agreement is the Transaction between the Creditors and the Debtor effected for avoidance of suffering bankruptcy by the Debtor, ensuring of making the purchase and sale transaction relative to the Debtor-owned assets of the Sea Launch Complex suitable for operational use as intended to the person capable of carrying on its operational use, as well as for a partial satisfaction of the Creditors' claims. Subject of the Transaction: specifying the terms (including the funds allocation) for the Creditors with respect to the claims submitted to the Debtor. The Debtor's liabilities to RSC Energia, ZAO ZEM RSC Energia, Energia Logistics Ltd., Sea Launch Sàrl for the total amount of no more than 15 billion rubles. Establishing the procedure to allocate the funds received as the result of the effected transaction on selling the Sea Launch Complex assets: - first of all the funds made available to the Debtor are to be used to repay debts to external Creditors (not affiliated with RSC Energia); - secondly, foreseen and withheld are the amounts to pay liquidation expenses of the Debtor and Energia Logistics Ltd (no more than 1,3 million US dollars for Energia Logistics Ltd. and no more than 1,0 million US dollars for the Sea Launch SA); - the rest of the funds shall be allocated among the Creditors in proportion to amounts of the liabilities of the Debtor to the Creditors as a partial performance of the Debtor's commitments to them; - as for the part of the liabilities defaulted due to shortage of the money made available as the result of making assets sale transaction, the Debtor's liabilities to the Creditors are terminated, i.e. a partial remission of the debt will take place, namely: irrevocable waiver of the claims to the Debtor on the part of the Creditors. This remission of the debt is performed not to support the Debtor, rater this action is aimed at ensuring at least its partial solvency. Size of the Transaction is no more than 15 (fifteen) billion rubles and defined as the total amount of the Debtor's liabilities to the Creditors to be repaid as the making of the Transaction via: - partial receipt by the Creditors of the funds from the Debtor;	RSC Energia, ZAO ZEM RSC Energia, OOO Energia-Logistics, Energia Logistics Ltd., Sea Launch ACS Ltd., Platform Company LDC, Sea Launch Sàrl (The Creditors) Sea Launch SA (Debtor)	Extraordinary General Shareholders' Meeting Minutes No32 of 19.03.2018	At the time of making of the transaction, State Corporation ROSCOSMOS (taking into account of both its direct and indirect holding of RSC Energia stock) is the holding company of the parties to the transaction; RSC Energia Management Board members P.V. Vinokurov, Y.A. Yermakov, Y.A. Mikrin are the Management Board members of ZAO ZEM RSC Energia, Management Board member I.Y. Maltsev is Director General, Chairman of the Management Board of ZAO ZEM RSC Energia; Director General, the Board of Directors member of RSC Energia V.L. Solntsev and Management Board member P.V. Vinokurov are the Board of Directors members of the Sea Launch SA.	**http://www.e-disclosure.ru/portal/event.aspx?EventId=9KjfpZ9cGkatIk-AKGCJjPg-B-B** Message about material fact «On making of the interested-party transaction by the issuer» **http://www.e-disclosure.ru/portal/event.aspx?EventId=pAhSkTJdlUWqsG-CyjjFMsQ-B-B** Message about material fact «Information about holding the issuer's general shareholders meeting, as well as about the resolutions passed at the issuer's general shareholders' meeting»

Item No	Date of effecting transaction	Subject of transaction/Material conditions	Parties to transaction	Information about approval	Interested parties for transactions whose size is more than 2% - reason for interest	Reference to Internet web site
		- partial remission of the Debtor's debt by the Creditors. Amount of RSC Energia's liabilities to be terminated as the result of making the transaction will be no more than 7 (seven) billion rubles, including proper performance of the liabilities ranging from 2 (two) billion rubles to 3 (three) billion rubles, remission of the debt (no more than 5 billion rubles).				
5.	20.04.18	Supplementary Agreement (S/A) No3 to the contract for performance of work on manufacture of the instruments and assemblies to extend service life of article FGB-1 till 2020. Subject of S/A: making changes to the Schedule (including additional Milestones (with due date: till June 28, 2018)), determining approximate price under the contract in the amount of 228 730 618,00 rubles.	RSC Energia (Customer) ZAO ZEM RSC Energia (Contractor)	No request for approval	At the time of making the transaction, State Corporation ROSCOSMOS (taking into account of both direct and indirect holding of RSC Energia's stock) is the holding company of the parties to the transaction; RSC Energia Management Board members P.V. Vinokurov, Y.A. Yermakov and Y.A. Mikrin are the Management Board members of ZAO ZEM RSC Energia, RSC Energia Management Board member I.Y. Maltsev is Director General of ZAO ZEM RSC Energia.	
6.	12.02.18	S/A No7 to the contract for performance of the work on resupply of crew transportation spacecraft Soyuz with personal equipment for foreign astronauts. Subject of S/A: changes to the contract terms relative to included additional Milestones to the Schedule (with RSC Energia completion date under the contract: December 31, 2018), as well as determining approximate price in the amount of 257 882 064, 00 rubles.	RSC Energia (Customer) ZAO ZEM RSC Energia (Contractor)	Board of Directors Minutes No22 of 28.04.2018	At the time of making the transaction, State Corporation ROSCOSMOS (taking into account of both direct and indirect holding of RSC Energia's stock) is the holding company of the parties to the transaction; RSC Energia Management Board members P.V. Vinokurov, Y.A. Yermakov and Y.A. Mikrin are the Management Board members of ZAO ZEM RSC Energia, RSC Energia Management Board member I.Y. Maltsev is Director General of ZAO ZEM RSC Energia.	**http://www.e-disclosure.ru/portal/event.aspx?EventId=pWZZXbS7eUq2j8kSQUdeig-B-B** Message about material fact «Information about the issuer's Board of Directors meeting held, as well as about the following decisions taken by the issuer's Board of Directors: on interested-party transaction approval»
	28.04.18	S/A No8 to the contract for performance of the work on resupply of crew transportation spacecraft Soyuz with personal equipment for foreign astronauts. Subject of S/A: price transfer for approximate to fixed in the amount of 255 341 804,00 rubles.				

Item No	Date of effecting transaction	Subject of transaction/Material conditions	Parties to transaction	Information about approval	Interested parties for transactions whose size is more than 2% - reason for interest	Reference to Internet web site
7.	31.05.18	Contract for product manufacture and delivery (Launch vehicle Soyuz-2-1b). Statement of Work and their completion dates are specified by the Requirements for product manufacturing and Delivery List. Contract price is approximate marginal in the amount of 1 448 213 472 rubles. Delivery dates are determined in the Delivery List (delivery deadlines is 30.09.2020)	RSC Energia (Customer) AO RSC Progress (Contractor)	No request for approval	At the time of making the transaction, State Corporation ROSCOSMOS is the holding company of the parties to the transaction, RSC Energia Board of Directors members Yu.V. Vlasov and A.N. Ivanov are the members of AO RSC Progress Board of Directors.	**http://www.e-disclosure.ru/portal/event.aspx?EventId=n4V3537JWUOWBL0PCK5MBA-B-B** Message about material fact «On making of the interested-party transaction by the issuer»
8.	31.05.18	Contract for product manufacture and delivery (Upper Stage Fregat with adapter and payload fairing). Statement of Work and their completion dates are specified by the set of documents and the Delivery List. Contract price is approximate (783 661 757 rubles). Delivery dates are determined in the Delivery List (delivery deadlines is 30.06.2021)	RSC Energia (Customer) AO NPO after Lavochkin (Contractor)	No request for approval	At the time of making the transaction, State Corporation ROSCOSMOS is the holding company of the parties to the transaction.	
9.	19.06.18	S/A No7 to the contract for performance of work on manufacture of component parts for spacecraft (unmanned spacecraft (USC)). Subject of S/A: making changes to the Schedule (included additional Milestones (with completion date: December 2018); determining changed total approximate price under the contract in the amount of 301 320 255rubles	RSC Energia (Customer) ZAO ZEM RSC Energia (Contractor)	No request for approval	At the time of making the transaction, State Corporation ROSCOSMOS (taking into account both direct and indirect holding of RSC Energia's stock) is the holding company of the parties to the transaction, RSC Energia Management Board members P.V. Vinokurov, Y.A. Yermakov and Y.A. Mikrin are the Management Board members of ZAO ZEM RSC Energia, RSC Energia Management Board member I.Y. Maltsev is Director General ZAO ZEM RSC Energia.	
10.	13.09.18	Contract for performance of work (Upper Stage adaptation and outfitting of ground space infrastructure to support launch of unmanned spacecraft (SC) from Baikonur Cosmodrome). Statement of Work and their completion dates are specified by the Technical Direction and the List of performance. Firm fixed contract price is 187 770 821 rubles. Work performance date: commencement: 07.2018; completion: 4 month following SC launch.	RSC Energia (Customer) AO NPO after Lavochkin (Contractor)	Board of Directors Minutes No2 of 05.09.2018	State Corporation ROSCOSMOS is the holding company of the parties to the transaction	http://www.e-disclosure.ru/portal/event.aspx?EventId=9jwtTZsHeEywoHwiAyTjrA-B-B Message about material fact «Information about the issuer's Board of Directors meeting held, as well as about the following decisions taken by the issuer's Board of Directors: on interested-party transaction approval»

Item No	Date of effecting transaction	Subject of transaction/Material conditions	Parties to transaction	Information about approval	Interested parties for transactions whose size is more than 2% - reason for interest	Reference to Internet web site
11.	21.09.18	S/A No7 to the contract for provision of services on rotation and rescue of American crew members; assured delivery and return of NASA's cargoes by Russian spacecraft; assured delivery and return of Russian cargoes by the partners' spacecraft under the ISS Program. Subject of S/A No7: supplement to the Technical Direction, included additional activities in Milestones Nos 23, 24 of the Schedule; establishing changes in fixed Contract price in the amount of 808 564, 68 thousand rubles, updated size of financing with breakdown by years.	State Corporation ROSCOSMOS - (Customer) RSC Energia (Contractor)	No request for approval	State Corporation ROSCOSMOS is the holding company for RSC Energia, the Board of Directors member S.K. Krikalev is the party's representative to the transaction, State Corporation ROSCOSMOS	
12.	13.09.18	S/A No6 to the contract for provision of services on arranging for and implementing measures of state secret protection; the enterprise protection and security; ensuring access control and in-plant security. Subject of S/A No6: making changes to the Contract subject.	ZAO ZEM RSC Energia (Customer) RSC Energia (Contractor)	No request for approval	State Corporation ROSCOSMOS is the holding company for parties to the transaction, RSC Energia Management Board members P.V. Vinokurov, Y.A. Yermakov and Y.A. Mikrin are the Management Board members of ZAO ZEM RSC Energia, RSC Energia Management Board member I.Y. Maltsev is Director General, Chairman of the Management Board of ZAO ZEM RSC Energia.	
13.	22.10.18	S/A No 41 to the contract for performance of work on manufacture of life support system elements (water tanks, filling indicators, halves). Subject of S/A No41: transfer of price fixed for separate contract milestones from approximate into fixed, as well as determining an approximate price under the contract as a whole totaling 411 035 881,32 rubles	RSC Energia (Customer) ZAO ZEM RSC Energia (Contractor)	No request for approval	State Corporation ROSCOSMOS is the holding company for parties to the transaction, RSC Energia Management Board members P.V. Vinokurov, Y.A. Yermakov and Y.A. Mikrin are the Management Board members at ZAO ZEM RSC Energia, RSC Energia Management Board member I.Y. Maltsev is Director General, Chairman of the Management Board of ZAO ZEM RSC Energia.	
14.	15.10.18	S/A No 42 to the contract for performance of work on manufacture of life support system elements (water tanks, filling indicators, halves). Subject of S/A No42: transfer of separate contract milestone price from approximate into fixed price, as well as determining approximate price under the contract as a whole totaling 411 168 028,32 rubles.	RSC Energia (Customer) ZAO ZEM RSC Energia (Contractor)	No request for approval	State Corporation ROSCOSMOS is the holding company for parties to the transaction, RSC Energia Management Board members P.V. Vinokurov, Y.A. Yermakov and Y.A. Mikrin are the Management Board members of ZAO ZEM RSC Energia, RSC Energia	

Item No	Date of effecting transaction	Subject of transaction/Material conditions	Parties to transaction	Information about approval	Interested parties for transactions whose size is more than 2% - reason for interest	Reference to Internet web site
					Management Board member I.Y. Maltsev is Director General, Chairman of the Management Board of ZAO ZEM RSC Energia.	
15.	12.11.18	Supplement 1 to the Intercreditor Agreement concluded between RSC Energia, ZAO ZEM RSC Energia, Energia Logistics Ltd., SL Aerospace ACS Limited, SL Aerospace Company LDC, SL Aerospace S.a.r.l. (Creditors) and the SL Aerospace SA (Debtor). Basic terms of the Intercreditor Agreement with Supplement 1 included: Objective of the transaction is to avoid the Debtor's bankruptcy, ensure making of the purchase and sale transaction with respect to the Sea Launch Complex assets owned by the Debtor and being in condition suitable for operational use as intended, to the person capable of continuing this operational use, as well as partially satisfy the Creditors' claims. Subject of the Transaction: defining the terms for the Creditors with respect to the claims to the Debtor arising from the following liabilities: a) to RSC Energia acquired as the result of RSC Energia entering into the assignment contract with OOO Energia-Logistics: no more than 7,2 billion rubles; b) to ZAO ZEM RSC Energia for the granted loans and the accrued interest, with due regard for the amount of interest under the loan agreements charged on the date of making of the Transaction: all in all, no more than 4,77 billion rubles; c) to Energia Logistics Ltd. on the basis of the Agreement on provision of services between the Sea Launch SA and Energia Logistics Ltd.: no more than 0,94 billion rubles; d) to SL Aerospace S.a.r.l. (previously named Sea Launch S.a.r.l.) for the granted loans and the accrued interest, with due regard for the amount of interest under the loan agreements charged on the date of making of the Transaction: no more than 2,1 billion rubles. Establishing the procedure for the Debtor's funds allocation, with the funds received as the result of the effected transaction on the sale of the Sea Launch Complex assets. Total limit size of the Transaction and all its other basic terms are in agreement with the earlier approved resolution passed at	RSC Energia, ZAO ZEM RSC Energia, Energia Logistics Ltd., SL Aerospace ACS Limited, SL Aerospace Company LDC, SL Aerospace S.a.r.l. (Creditors) and the SL Aerospace SA (Debtor)	No request for approval	State Corporation ROSCOSMOS is the holding company of the parties to the transaction: RSC Energia (direct control) and ZAO ZEM RSC Energia, Energia Logistics Ltd., SL Aerospace ACS Limited, SL Aerospace Company LDC, SL Aerospace S.a.r.l., SL Aerospace SA (indirect control); - RSC Energia Management Board members P.V. Vinokurov, Y.A. Yermakov, Y.A. Mikrin are the Management Board members of ZAO ZEM RSC Energia, Management Board member I.Y. Maltsev is Director General, Chairman of the Management Board of ZAO ZEM RSC Energia; - RSC Energia Management Board member P.V. Vinokurov is the Board of Directors member SL Aerospace SA.	

Item No	Date of effecting transaction	Subject of transaction/Material conditions	Parties to transaction	Information about approval	Interested parties for transactions whose size is more than 2% - reason for interest	Reference to Internet web site
		Extraordinary general shareholders' meeting of RSC Energia held on March 19, 2018 (Minutes of EGSM RSC Energia No 32 of March 20, 2018).				
16.	07.11.18	S/A No 44 to the contract for performance of work on manufacture of life support system elements (water tanks, filling indicators, halves) Subject of S/A No44: transfer of the price established for separate contract milestones from approximate into a fixed one, as well as determining approximate price under the contract as a whole totaling 412 283 360,32 rubles.	RSC Energia (Customer) ZAO ZEM RSC Energia (Contractor)	No request for approval	State Corporation ROSCOSMOS is the holding company for parties to the transaction, RSC Energia Management Board members P.V. Vinokurov, Y.A. Yermakov an Y.A. Mikrin are the Management Board members at ZAO ZEM RSC Energia, RSC Energia Management Board member I.Y. Maltsev is Director General, Chairman of the Management Board of ZAO ZEM RSC Energia.	
17.	31.08.18	S/A No 4 to the contract for performance of development effort and services on rotation and rescue by CTS Soyuz MS of 6 (six) astronauts assigned by the American Party in the scope of modification to the International Contract between State Corporation ROSCOSMOS and NASA. Subject of S/A: determining price for a separate contract milestone in the amount of 38 447, 40 thousand rubles, as well as firm (fixed) price under the contract as a whole totaling 5 656 558 800, 00 rubles	State Corporation ROSCOSMOS - (Customer) RSC Energia (Contractor)	Board of Directors Minutes No6 of 14.12.2018	State Corporation ROSCOSMOS is the holding company for RSC Energia and the party to the transaction, RSC Energia Board of Directors member S.K. Krikalev is the party's representative to the transaction, State Corporation ROSCOSMOS, RSC Energia Board of Directors members S.V. Saveliev, O.P. Frolov, M.N. Khailov are the Management Board members of State Corporation ROSCOSMOS.	http://www.e-disclosure.ru/portal/event.aspx?EventId=KmC7HFlM00Kxqo-ARivYxFA-B-B Message about material fact «Information about the issuer's Board of Directors meeting held, as well as about the following decisions taken by the issuer's Board of Directors: on interested-party transaction approval»
18.	29.11.18	S/A No 7 to the contract for modules manufacture and assembly; spacecraft Soyuz-MS assembly, verification checks at CTF and acceptance; prelaunch processing of Soyuz-MS spacecraft and taking part in ILV launch. Subject of S/A: transfer of the price of the contract schedule phase from approximate into a fixed one in the amount of 25 098 607, as well as determining total contract amount (in fixed prices) coming to 2 115 479 607, 00 rubles	RSC Energia (Customer) ZAO ZEM RSC Energia (Contractor)	No request for approval	State Corporation ROSCOSMOS is the holding company for parties to the transaction, RSC Energia Management Board members P.V. Vinokurov, Y.A. Yermakov and Y.A. Mikrin are the Management Board members of ZAO ZEM RSC Energia, RSC Energia Management Board member I.Y. Maltsev is Director General, Chairman of the Management Board of ZAO ZEM RSC Energia.	

Item No	Date of effecting transaction	Subject of transaction/Material conditions	Parties to transaction	Information about approval	Interested parties for transactions whose size is more than 2% - reason for interest	Reference to Internet web site
19.	19.12.18	Contract for provision of services on ensuring ZAO ZEM RSC Energia's activity to meet the requirements set out in regulatory and guideline documents, including assured access control and in-plant security, storage of explosives and other harmful and hazardous substances; assured security on the premises of ZAO ZEM RSC Energia. Price of services to be performed is 175 217 659, 91 rubles. Periods of services performance is from 01.01.2019 till 31.12.2019.	ZAO ZEM RSC Energia (Customer) RSC Energia (Contractor)	No request for approval	State Corporation ROSCOSMOS is the holding company for parties to the transaction, RSC Energia Management Board members P.V. Vinokurov, Y.A. Yermakov and Y.A. Mikrin are the Management Board members of ZAO ZEM RSC Energia, RSC Energia Management Board member I.Y. Maltsev is Director General, the Chairman of the Management Board, as well as the representative of the party to the transaction - ZAO ZEM RSC Energia.	
20.	14.12.18	S/A No 5 to the contract for development effort performance and provision of services on rotation and rescue on CTS Soyuz MS of 6 (six) astronauts assigned by the American Party in the scope of modification to the International Contract concluded between State Corporation ROSCOSMOS and NASA. Subject of S/A: making changes to the Schedule (insertion of new Milestones), as well as determining firm (fixed) contract price as a whole totaling 5 691 803 600,00 rubles	State Corporation ROSCOSMOS - (Customer) RSC Energia (Contractor)	No request for approval	State Corporation ROSCOSMOS is the holding company for RSC Energia and the party to the transaction, the Board of Directors member RSC Energia S.K. Krikalev is the party's representative to the transaction, State Corporation ROSCOSMOS, RSC Energia Board of Directors members S.V. Saveliev, O.P. Frolov, M.N. Khailov are the Management Board members of State Corporation ROSCOSMOS.	
21.	21.12.18	S/A No13 to the contract for performance of the work on resupply of crew transportation spacecraft Soyuz with personal equipment for foreign astronauts. Subject of S/A: making changes to the Schedule (insertion of new Milestone at the price of 4 306 273 rubles, with work completion date in April 2019), as well as determining total approximate price of the contract making up 219 849 276, 00 rubles	RSC Energia (Customer) ZAO ZEM RSC Energia (Contractor)	No request for approval	State Corporation ROSCOSMOS is the holding company for parties to the transaction, RSC Energia Management Board members P.V. Vinokurov, Y.A. Yermakov and Y.A. Mikrin are the Management Board members at ZAO ZEM RSC Energia, RSC Energia Management Board member I.Y. Maltsev is Director General and Chairman of the Management Board of ZAO ZEM RSC Energia.	
22.	19.12.18	S/A No3 to the contract for compartment manufacture and assembly, conducting relevant activities at CTF and Soyuz MS spacecraft acceptance. Subject of S/A: making changes to the Schedule (insertion of new Milestones at the price of 91 270 552, 00 rubles, with work	RSC Energia (Customer) ZAO ZEM	No request for approval	State Corporation ROSCOSMOS is the holding company for parties to the transaction, RSC Energia Management Board members P.V. Vinokurov, Y.A. Yermakov and Y.A. Mikrin are the	

Item No	Date of effecting transaction	Subject of transaction/Material conditions	Parties to transaction	Information about approval	Interested parties for transactions whose size is more than 2% - reason for interest	Reference to Internet web site
		completion date in June, 2020), as well as determining a total amount of the contract in terms of approximate prices totaling 2 427 669 252, 00 rubles.	RSC Energia (Contractor)		Management Board members at ZAO ZEM RSC Energia, RSC Energia Management Board member I.Y. Maltsev is Director General and Chairman of the Management Board of ZAO ZEM RSC Energia.	

Director General of RSC Energia N.N. Sevastiyanov

Appendix 7 / Information about economic entities with RSC Energia stake in their Charter Capital from 2 up to 20%

Full firm's name	Shortened firm's name	Location, TIN, MSRN	Company's stake in the legal entity Charter Capital	Purpose of the Company's stake	Size of dividends received in the accounting year by the Company, rubles
Corporation "ILS International Launch Services, Inc."	ILS International Launch Services, Inc.	C-T Corporation, Wilmington, Delaware state, USA	17% (Class B shares)	Promotion of the Company products and services on the international market. At the present time, due to change in the shareholding structure of the ILS. International Services, impossibility to participate in the Board of Director's activities of the above company, inefficiency in the Company participation in terms of any positive economic, political, social results achieved, the subject at issue is termination of its participation in this firm.	No dividend payouts in the accounting year
Joint-Stock Company "Gazprom Space Systems"	AO Gazprom Space Systems	77B Moskovskaya Street, Schyolkovo, Moscow Region, 141112 TIN:5018035691 MSRN: 1025002045177	16.16%	Implementation of Yamal satellite communication development and manufacture	No dividends were paid in the accounting year
SL Aerospace S.a.r.l (Sea Launch S.a.r.l.)	SL Aerospace S.a.r.l (Sea Launch S.a.r.l.)	58, rue Charles Martel, L-2134 Luxembourg, Grand Duchy of Luxembourg	15% (preference shares)	Promotion of the Company products and services on the international market, deriving profits from commercial SC launches from Sea-based Launch Platform	No dividends were paid in the accounting year
Close Company "Center for Rocket – Space Technology Certification"	ZAO TsSKT	4 Pionerskaya Street, Korolev, Moscow Region, Russia, 141070 TIN:5018034722 MSRN: 1035003364098	2.33 %	Scientific-technical expertise, certification of RST articles	26 100

Appendix 8 / Information about affiliated companies with the Company's stake in the Charter Capital from 20% to 50%

Full firm's name	Shortened firm's name	Location, TIN, MSRN	Company's sake in the legal entity Charter Capital	Purpose of the Company's stake	Size of dividends received in the accounting year by the Company, rubles
Joint-Stock Company "Scientific – Production Corporation RECOD"	AO NPK RECOD	Blg 6/1, 40 Maryina Roscha, 3rd passage, Moscow, Russia, 127018 TIN: 7715700042 MSRN: 1087746601271	26.57%	Use of business results for the benefit of Russian regions economy	No dividend payouts in the accounting year
Limited Liability Company "Energia Satellite Technologies"*	LCC Energia SAT	1A Grabin Street, Korolev, Moscow Region, Russia, 141070 TIN: 5018155195 MSRN: 1135018000259	51%	Manufacture of unmanned spacecraft and objects, prelaunch processing of space objects, space objects control in space	No dividends were paid in the accounting year

*according to the terms of the effective Agreement for the participants, LCC Energia SAT is the joint venture and only its stake in the Charter capital exceeding 50% allows to refer the company formally to RSC Energia's subsidiary companies.

Appendix 9 / Information about subsidiary companies with the Company's stake in their Charter Capital from 50 % + 1 share up to 100 %

Full firm's name	Shortened firm's name	Location, TIN, MSRN	Company's stake in the legal entity Charter Capital	Purpose of the Company's stake	Size of dividends received in the accounting year by the Company, rubles
Close Company "Experimental Machinebuilding Plant of S.P. Korolev Rocket and Space Public Corporation Energia"	ZAO ZEM RSC Energia	4A Lenin Street, Korolev, Moscow Region, Russia, 141070 TIN: 5018037000 MSRN: 1025002028314	100%	Manufacture of manned and cargo space vehicles, orbital stations; production of articles and rocket-space complex components	No dividends were paid in the accounting year
Close Company Volzhskoye Design Bureau of S.P. Korolev Rocket and Space Public Corporation Energia	ZAO VKB RSC Energia	26B Zemets Street, Samara, Russia, 443077 TIN: 6312024093 MSRN: 1026300767382	100%	Conduct of research work, development work and experimental work on implementing RSC Energia rocket-space programs	No dividends were paid in the accounting year
Public Company "Investment Company Razvitiye"*	AOIK Razvitiye	4A Lenin Street, Korolev, Moscow Region, Russia, 141070 TIN: 5018166567 MSRN: 1145018006088	100%	Investment activity	No dividends were paid in the accounting year
Limited Liability Company RSC Energia-Project (RSC Energia-Finans till 09.08.2017)	OOO RSC Energia-Project	4A Lenin Street, Korolev, Moscow Region, Russia, 141070 TIN: 5018128089 MSRN: 1085018005368	100%	Investment activity.	No dividends were paid in the accounting year
Close Company "Teplo RSC Energia"**	AO Teplo RSC Energia	4A Lenin Street, Korolev, Moscow Region, Russia, 141070 TIN: 5018138369 MSRN: 1095018005279	100%	Ensuring efficient management and operation of the Company power supply services, ensured supply of power resources, water supply	No dividends were paid in the accounting year

Full firm's name	Shortened firm's name	Location, TIN, MSRN	Company's stake in the legal entity Charter Capital	Purpose of the Company's stake	Size of dividends received in the accounting year by the Company, rubles
Limited Liability Company "Orthopedic Industry Moscow Energia"	LCC OIME	4 Lenin Street, Korolev, Moscow Region, Russia, 141070 TIN: 5018035726 MSRN: 1025002037191	100%	Social component of the Company business. Ensuring manufacture and deliveries of prosthetic-orthopedic products, technical equipment for rehabilitation of disabled persons, equipment, medical facilities; component items and materials for their production to enterprises of the Russian Federation and other countries	No dividends were paid in the accounting year
Close Company BELROSSAT	ZAO BELROSSAT	Office 416, blg 5, 15, P.Brovka Street, Minsk, Belarus, 220072	70%	Development and operation of space systems, satellite and ground telecommunication systems, provision of telecommunication services to subscribers in the Republic of Belarus and foreign countries	No dividends were paid in the accounting year
Joint-Stock Company "Energia-Telecom"	AO Energia-Telecom	4A Lenin Street, Korolev, Moscow Region, Russia, 141070 TIN: 5018138640 MSRN: 1095018005576	50.1 %	Development, manufacture, commissioning and operational use (for communication, radio and TV broadcasting) of satellite communication components and systems based upon unmanned spacecraft.	No dividend payouts in the accounting year

Appendix 10 / Non-profit organizations the participant (founder) of which is RSC Energia

Full firm's name	Shortened firm's name	Location, TIN, MSRN	Company's stake in the legal entity Charter Capital	Purpose of the Company's stake
Private pre-school educational institution kindergarten "Lesovichok" of general education development type, RSC Energia	DOU Lesovichok	14A Severnaya Street, Korolev, Moscow Region, Russia, 141070 TIN: 5018117827 MSRN: 1075000002615	Founder 100%	Social project secured admission of the Company employees children to this pre-school educational establishment.
Non-state education institution Regional-Branch Scientific-Educational Production Complex "Personal-Cosmos" (in the process of reorganization)	NOU RONUPK Personal Cosmos	2 Grabin Street, Korolev, Moscow Region, 141070 TIN: 5018044181 MSRN: 1035003362624	One of the founders	Providing for Company personnel training, advanced vocational training, Company employees retraining
International Association of Space Activity Participants	MAKD	42 Schepkin Street, Moscow, 107996 TIN: 7702579590 MSRN: 1057748543577	–	Taking part in proposals for improvement of space activity, its regulatory and legal framework; participation in exhibitions, workshops, making use of consulting services
International Astronautical Association	MAF	–	–	Promotion of space research, dissemination of space knowledge, building up International Community of Experts
Association Technological Platform "National Information Satellite System"	NP "TP "NISS"	52 Lenin Street, Zheleznogorsk, ZATO Zheleznogorsk, Krasnoyarsk Territory, 662972 TIN: 2452195158 MSRN: 1122468058349	–	Participation in programs and innovative projects development in order to create and develop perspective new products, services and set of "breakthrough" technologies for a sharp increase of the new generation automatic spacecraft user properties' parameters and personal package space service availability
Non-Profit Partnership "National Space Technological Platform"	NP "NKTP"	4 major administrative building, Volokolamskoye shosse, Moscow, 125993	–	Participation in establishing government economic innovations and ensuring government leading positions on the international market of space systems; Participation in developing long-term scientific and application research strategy and its regular updating; The Russian products and services promotion.
Self-regulatory organization Non-profit partnership "Builders' Consolidation"	SPO NP "Stroykonsolidatsia"	Blg 1, 4 Stromynka Street, Moscow, 107014		Conduct of activities to design, build and repair buildings and facilities

Full firm's name	Shortened firm's name	Location, TIN, MSRN	Company's stake in the legal entity Charter Capital	Purpose of the Company's stake
Association National Organization of Designers	Association NATs Project	Blg 4, 5 Potapovsky pereulok, Moscow Russia, 101000 TIN: 7709443100 MSRN: 1097799022023	–	Conduct of activities to design, build and repair buildings and facilities
All-Russian Sectoral Association of Employers "Russian Machinebuilders Union"	OOOR Soyuz Mash Rossiya	Blg 1 221 Pokrovka Street, Moscow, 101990 TIN: 7702226033	–	Exchange of information, including information concerning new technologies development and introduction coming from research institutions and engineering plants. Development of managers and engineering personnel; Arranging up-to-date training system and recovery of continuity of machine-building complex professional personnel; Pursuing government youth policy concerning technical education and training of skilled workers, engineering personnel for machine-building industry
All-Russian Sectoral Association of Employers "Rocket-Space Industry Employers' Union of Russia"	OOOR "SR RKP of Russia"	22 Novozavodskay Street, Moscow, 121087	-	Major objectives of the Employers' Union are: representation of legitimate interests and protection of rights of the Employers' Union members in the field of social-industrial relations and associated economic relations acting in concert with governmental bodies, local self-government bodies, trade unions and their associations, other non-profit organizations; achievement of purpose for the benefit of the society and other purposes.

Appendix 11 / Information about actual results of executing the Russian Federation President and Government orders and instructions

In accordance with the Decree No. 874 by the President of the Russian Federation dated December 2, 2013 "On the Rocket and Space Industry Management System" in order to improve the system of management of organizations in the rocket and space industry – the Company's stock owned by the Russian Federation (38.22 %), was contributed as the stake of the Russian Federation to the Charter capital of the open joint-stock company "United Rocket-Space Corporation" (OAO URSC, AO ORSC at the present time). As a result, after September 23, 2014, only those orders are applicable to the Company, which deal with the companies that have an indirect stake of the Russian Federation in their charter capital, as well as the direct stake of less than 25%.

In addition, on December 19, 2016 package of shares of RSC Energia owned by ZAO ZEM RSC Energia (3,168%) and AO IK Razvitiye (17,426%) was transferred in trust to AO URSC. Therefore, AO URSC over the accounting period controls in the aggregate (both directly and indirectly) 58,8% of RSC Energia's Charter capital.

Russian Federation in the person of Federal Property Management Agency had owned 100% package of shares of OAO URSC till November 2016.

In July 2015 Federal Law No 215-FZ of 13.07.2015 set up State Space Corporation ROSCOSMOS (hereinafter referred to as State Corporation ROSCOSMOS). By Rosimuschestvo's order No 799-r of 14.10.2016, OAO URSC stock was contributed as the stake of the Russian Federation to State Corporation ROSCOSMOS.

By the resolution passed at the 19.03.2018 Extraordinary General Shareholders' Meeting (Minutes No 32 of 20.03.2018) RSC Energia's Charter capital has been increased; therefore, the Russian Federation in the person of the Federal Property Management Agency (Rosimuschestvo) acquired the stock of 56 101 shares which accounted for 4,755% of the total number of RSC Energia's placed common stock.

LIST OF MAJOR ORDERS AND INSTRUCTIONS OF THE RUSSIAN FEDERATION PRESIDENT AND GOVERNMENT

Order	Document/action	Comments, additional conditions	Information about execution of the orders
1. NON-CORE ASSETS ALIENATION			
1.1. Non-Core assets alienation program			
Subparagraph “k”, paragraph 1 of the Order of RF President dated December 6, 2011, Pr-3668	Non-Core assets alienation program	The Board of Directors (BOD) is to: 1) analyze the assets of the AO to justifiably identify non-core assets (NCA), 2) provide review and make a resolution on Non-Core Assets (NCA) Alienation Program (to approve) Additionally: NCA must not only be alienated, they must be removed from the sphere of influence of the AO	On the date of 14.07.2011 (minutes No 1) the Board of Directors of the Company approved the Program of alienation (sale) of non-core assets owned by RSC Energia; on 20.06.2012 (Minutes No. 9) the Board of Directors approved addendum to the Program of alienation (sale) of non-core assets of the Company and extended the dates for taking action in support of the Program implementation. Efforts to implement the above Non-core assets alienation program have been completed.
Subparagraph “v”, paragraph 2 of the Order of RF President V.V. Putin No. 596 of 07.05.2012 “On Long-Term Government Economic Policy The letter from State Corporation ROSCOSMOS No SK-3548 of 05.04.2018 “On conduct of the corporate procedure for State Corporation ROSCOSMOS joint-stock companies joining the Program to handle non-core assets of State Corporation ROSCOSMOS”		Also classified as non-core assets can be shares in the subsidiaries and affiliates which are not involved in the core activities.	When considering the issue concerning draft Program of the Company financial recovery, the Board of Directors (Minutes No 1 of 18.08.2016) passed the following resolution: along with core departments of State Corporation ROSCOSMOS to make sure to determine (update) the list of the Company non-core assets (assets not involved in the programs of the Company core business) and develop the program of handling non-core assets. The Board of Directors (Minutes No 24 of 31.05.2018) decided on RSC Energia joining the Program to handle non-core assets of State Corporation ROSCOSMOS (further referred to as the Program). The Board of Directors (Minutes No 8 of 18.01.2019) approved the Register of the non-core assets of RSC Energia. Directors from the common shareholder were sent to the subsidiary companies (ZAO ZEM RSC Energia and AO Teplo RSC Energia) to join the Program to handle non-core assets of State Corporation ROSCOSMOS. ZAO ZEM RSC Energia R-23/298 of 09.06.2018; AO Teplo RSC Energia R-23/41 of 17.01.2019. With respect to ZAO ZEM RSC Energia, the common shareholders’ resolution R-23/863 of 28.12.2018 was passed on approval of the Register of the non-core assets. At AO Teplo RSC Energia, the Register of the non-core assets is currently under development.

Order	Document/action	Comments, additional conditions	Information about execution of the orders
2. PROCUREMENT OF GOODS, WORKS AND SERVICES			
2.1. Approval of Procurement Policy, improving procurement transparency			
Federal Law 223-FZ "On procurement of goods, works and services by particular legal entities"	Approve Procurement Policy	Regulations on procurement: - contains procedures for preparing and conducting procurement processes and conditions for their application; - procedure for concluding and executing contracts.	When conducting its procurement activity the Company follows fundamental principles of Federal Law No. 223-FZ "On Procurement of Goods, Work, Services by Particular Legal Entities" and focuses on execution of the orders indicated in the FR Government instructions No. 6362p-P13 of 24.10.2013. Since Federal Law No. 223-FZ of 18.07.2011 is not applicable to RSC Energia, considering that the Company does not meet the requirements, specified in Paragraph 2 of the law, it is not required to post procurement information in the common information systems and on the official web site (www.zakupki.gov.ru). In accordance with the Russian Federation Government instructions "On Ensuring Transparency of AO Procurement Activity": – posted on the Company official site is information about placement of orders in electronic form (procurement activity), RSC Energia's Plan for procurement of goods (work, services) for 2018", also posted were "Provision on RSC Energia Procurement Activity" (Company President Order No. 35 dated February 04, 2013) and "RSC Energia Procurement Activity Policy" (Company President Order No. 514 dated December 23, 2011). Screening procedures are performed electronically using electronic trading platforms. Board of Directors (Minutes No 23 of 24.05.2018) approved the Report on the 2017 performance, including the Report on the procurement activity results. Board of Directors (Minutes No 3 of 18.10.2018) took note of the Report on RSC Energia performance (including the results of the consolidated Work Program implemented by RSC Energia and ZAO ZEM RSC Energia) for the 6 months of 2018 and the forecast of RSC Energia consolidated Work Program (budget) indicators achievement in 2018, including the report on the procurement activity results. Board of Directors (Minutes No 3 of 18.10.2018) reviewed the item on RSC Energia's joining the Regulations on procurement of State Corporation ROSCOSMOS. Chairman of the Board of Directors N.N. Sevastiyanov proposed to the involved Board of Directors members to place the above item for consideration of RSC Energia
Order of the RF Government No. ISh-P13-8685 dated 17.12.2012	Review at the BOD meetings the issue of making decisions aimed at assuring procurement transparency, including approval of the Regulations on procurement	Consider the feasibility of switching to electronic procurement	

Order	Document/action	Comments, additional conditions	Information about execution of the orders
			Board of Directors in case of need. Board of Directors (Minutes No 8 of 18.01.2019) considered and took note of the Report on the Company's performance for 9 months of 2018, including the Report on procurement activity results.
3. STRATEGY DEVELOPMENT AND UPDATING, EFFICIENCY, LONG-TERM PLANNING			
3.1. Development and approval of the Innovative Development Programs			
	Develop and approve Innovative Development Programs	Innovative Development Programs: • review at the BOD the issue of advisability of developing innovative development program; • if advisable, charge the Strategy Committee to create a concept of innovative development programs; • approve the Innovative Development Program at the BOD; • review the issue of the program execution tied to the Company KPIs; • review the issue of raising special-purpose science and technology funds; • the program can be extended to SAC.	On 14.07.2011 the Company Board of Directors reviewed and approved the Innovative Development Program (IDP) of RSC Energia for the 2011-2020 period (Minutes No. 1). At the 29.04.2013 meeting of the Board of Directors (Minutes No 11) the proposals to update RSC Energia's IDP for the 2013-2020 period were approved. The Committee on Strategic Planning, Modernization and Innovative Development of the Company Board of Directors (Minutes No 1 of 25.03.2016) while considering draft Strategy of the Company took decision to tie in the draft Strategy to RSC Energia's Innovative Development Program being updated. The Company Management Board (Minutes No2/2017 of 02.02.2017) considered and got preliminary agreement on the updated draft Innovative Development Program of the Company for the 2016-2025 period. Board of Directors (Minutes No8 of 21.12.2017) considered and approved the Innovative Development Program of RSC Energia for the 2016-2025. Board of Directors (Minutes No3 of 11.09.2017) considered and approved the Report on the results of implementing RSC Energia Innovative Development Program for 2016 taking note of failure to achieve target figure of increase in proceeds per employee over the accounting year relative to that in 2011 (target value is 82%, while actual value is 79). Also it was noted that integrated innovative development indicator for 2016 was 95%.
Subparagraph "b", paragraph 1 of the List of the RF President's Orders No. Pr-307 dated 07.02.2011 Directive of the Russian Federation Government No. 1221p-P13 of 24.03.2011		In addition: Program shall be in agreement with the RF Government Directive provisions	
Address to the RF Federal Assembly of 12.11.2010		In addition: Innovative Development Program shall be integrated into mid- and long-term strategy of the Company.	
Minutes of the meeting of the Government Commission for high technologies and innovations No. 1 dated 30.01.2012			
The list of the RF President's orders No. Pr-3086 dated 27.12.2013 Information on	Develop and approve Investment Program, Long-Term	The schedule for submitting the Programs to the RF Government: • Investment Program during the first 6	

Order	Document/action	Comments, additional conditions	Information about execution of the orders
the materials of the RF Government meeting of 30.01.2014, Minutes No. 3 FPMA Letter dated 19.08.2014 No. 11/35746 "On Approval of the Long-Term Development Program"	development Program	months of 2014; • Long-Term Development Programs - till 01.10.2014.	
3.2. Development and approval of the AO strategy			
"Recommendations on the development of Innovation Development Programs" approved by the decision of the Government Commission for high technologies and innovations dated 03.08.2010, Minutes of the Meeting No. 4	Approve the Strategy of Company activities, including the following documents: -the list of KPIs and their target values; -Provision on remuneration of the executive body, BOD; -the Company investment and financial policy; -interactive financial model; -regulations for scientific and technical funds; -prediction of scientific and technological development, modernization and optimization of the technologies in use; -Energy Saving and Efficiency Program	Prior to approval, review the activities of RSC Energia in comparison with similar companies (by the provided List of key indicators) Identify strategic objectives of the company development (taking into account the provided List) Develop the List of specific measures: – manufacturing; – investment and financial; – managerial; – personnel; – for organizing corporate structure	Management Board on 04.03.2015 (Minutes No3/2015) considered the issue concerning the Company strategy and passed the resolution to update RSC Energia's development strategy guided by the decisions taken on the Concept for the RF manned cosmonautics development; clarified RF Federal Space Program for the 2016-2025 period; worked out development strategies for AO URSC and State Corporation ROSCOSMOS, update development strategy of RSC Energia. On 23.03.2016 the Committee on Strategic Planning, Modernization and Innovative Development at the Board of Directors (Minutes No 1 of 25.03.2016) considered the issue on progress in development of the Company strategy draft and took decision of further development of the Company strategy (with due regard for the strategy of State Corporation ROSCOSMOS) in the following way: - provide linkage of draft strategy to the Company Innovative Development Program being updated; - add to draft strategy a more complete information on volumes of financing required to implement the strategy, as well as describe potential development scenarios. Management Board of State Corporation ROSCOSMOS considered and took note of the Report on RSC Energia FRP implementation results (Minutes No PK-57-pr of 23.11.2017). The Company Management Board (Minutes No2/2017 of 02.02.2017) considered the submitted materials covering the main sections of RSC Energia Draft Strategy and took decision to direct the Draft Strategy for further elaboration in accordance with the comments made; after the elaboration the Draft Strategy is supposed to be repeatedly submitted to the Company Management Board. Heads of core divisions were tasked to prepare proposals for pro-
Para 2, Item 2 of the Minutes of the meeting held at the First Deputy Chairman of the Russian Federation	Approve the Strategies by the end of 2014		

Order	Document/action	Comments, additional conditions	Information about execution of the orders
Government I.I. Shuvalov No. ISh-P13-98pr dated 03.10.2013			active policy aimed at efficient development of the Company. The Company Management Board (Minutes No18/2017 of 13.12.2017) considered and approved the Provision on the Company Investment Committee which sets forth the procedure for consideration of investment activity at RSC Energia. As a result, it will contribute to making weighted and justified decisions by the Company managerial bodies. Board of Directors (Minutes No 27 of 18.06.2018) approved the Financial Recovery Program of RSC Energia. Board of Directors (Minutes No 3 of 18.10.2018) took the following decision after consideration of the Report on RSC Energia's performance for the 6 months of 2018 and the forecast of RSC Energia's consolidated Work Program (budget) indicators achievement in 2018: 1. Charge RSC Energia's management: - to assure development of the proposals to update the Financial Recovery Program, as well as other measures in accordance with the Plan to reduce debts receivable approved by State Corporation ROSCOSMOS; - to make sure to achieve the consolidated target indicators with respect to the staff member and Wages Fund by the 2018 performance. 2. Charge RSC Energia Director General: - to assure development and implementation of the Action Plan to achieve the staff number figures approved at FRP, including those in 2018; - to ensure calculation of standard basic permanent staff number (based upon work load per standard hours/man-hours and labour intensity, Wages Fund foreseen in the contract price, NZP, KVN and retrospective analysis), including by volumes of preproduction activity and subject divisions; - to assure increase in the number of APC, auxiliary and attending personnel based upon branch and general machinebuilding standards of staff number/labour intensity, not exceeding at the same time the estimated values given in the Consolidated staff number standards with breaking into personnel groups for space industry enterprises and organizations.
Order of the RF President No. Pr-3086 of 27.12.2013; Order of the RF Government No. DM-P13-9589 of 30.12.2013; Directives of the RF Government No. 4955p-P13 of 17.07.2014	Ensure approval of the long-term development program; procedure for conducting its audit.	Company Boards of Directors: – are to make sure that the Company develops and approves long-term development program; – are to make sure that LDP implementation is audited and a standard for conducting this audit is approved; – are to make sure that changes are introduced into provision on the remuneration of the Company single-member executive body.	

Order	Document/action	Comments, additional conditions	Information about execution of the orders
4. ACTIVITIES OF MANAGEMENT AND SUPERVISION BODIES			
4.1. Assuring transparency of financial-business activities of organizations			
RF Government Orders No. VP-P13-9308 of 28.12.2011, No. IS-P13-80 of 12.01.2012, No. IS-P13-127 of 13.01.2012, No. VP-P24-1269 of 05.03.2012	Provide certificates of income, property declaration and property liabilities of the Company executives		In pursuance of Article 8, Federal Law No. 273-FZ of 25.12.2008 "On Anticorrupt Practices Law", the RF Government Decree No. 613 of 22.07.2013, Federal Space Agency Orders No. 160 of 06.08.2013 and No. 167 of 23.08.2013, the Company President – issued orders No. 19 of 17.01.2014 and No. 192 of 08.04.2015, No 42 of 06.02.2017. These orders approved the List of the Posts appointing to which and replacement of which required that respective employees were to submit information about their income, expenditures, property and property liabilities. In pursuit of the order execution, additional agreements to the labor contracts were concluded with the employees included in the approved List of the Posts.
Art. 92 of Federal Law No. 208-FZ dated 26.12.1995 "On Joint-Stock Companies" Chapter VIII of the FSFR of Russia No. 11-46/pz-n of October 04, 2011 "On the Approval of the Regulations for Information Disclosure by Equity Securities Issuers", Order of the Russian Federation Ministry of Economic Development No. 208 of May 11, 2011 "On Approval of the Procedure for Information Disclosure by Open Joint-Stock Companies whose stocks are in state or municipal ownership, and by state (municipal) unitary enterprises".	Ensure better transparency of the Company operation	Disclose information to the extent and per regulations established by the federal executive body for the securities market. Disclose information by AO included in the privatization forecast plan.	Company discloses information to the extent and per regulations established by the federal executive body for the securities market for open joint-stock companies. The Company is not included in the privatization forecast plan.
Paragraph 7, Item 2, Minutes of the Meeting at the First Deputy Chairman of the Russian Federation		Publish the BOD decisions that do not constitute commercial secret.	The Company discloses information as messages about material facts. The Company issues the BOD decisions in its Annual Report which do not constitute commercial secret.

Order	Document/action	Comments, additional conditions	Information about execution of the orders
Government I.I. Shuvalov No. ISh-P13-98ps dated 03.10.2013			Corporate documents were posted in the personal cabinet of the Company on the FPMA ID Portal (copies of the minutes of general shareholders' meetings; meetings of the Board of Directors, ad hoc committees and commissions).
Order of the Russian Federations President No. Pr-113 dated 17.01.2012 Orders of the Russian Federation Government No. VP-P13-459 of 27.01.2012, and No. ISh-P13-7501 of 07.12.2012		Disclose information about income of single-member executive body, final beneficiaries of particular counterparts, possible conflicts of interest, interested party transactions.	The Company discloses information stipulated in current legislation for open joint-stock companies. The Company discloses information as messages about material facts. In order to pursue the policy to combat corruption and take effective measures to prevent and settle conflict of interests, as well as with the aim to ensure common corporate standards with respect to the Company and its SAC, amendments were made to the labor contracts of RSC Energia single-member executive body (SEB) and SAC directors general (in pursuance of the RF President Order No. Pr-113 of 17.01.2012 on the subject of prevention of conflict of interests during conclusion of contracts). Information about Chief Executive Officer (CEO) and Collective Executive Body members income is disclosed in the issuer's quarterly report.
4.2. Remuneration to management and employees of organizations, development of KPI system			
RF President Order No. Pr-825 of 06.04.2009 RF Government Order No. VP-P13-1823 of 06.04.2009, No. VP-P13-2099 of 20.04.2009, No. V3-P13-4252 of 28.07.2009	Set up ad hoc Committees at the Board of Directors Review at the BOD the issue of developing KPI system for AO. Develop the Provision on remuneration to Company management, BOD members; make remuneration tied up with KPI system.	It is recommended that 4 indicators should be included in the KPI List: -cost effectiveness in terms of net profit; -liabilities/profit on sales; -quarterly earnings history; -quarterly net profit history. Recommendations are provided on tying remuneration of managers with the KPI achievement. Disclose information about size of remunerations on the Company web-page	Information about size of remuneration to be paid to the Board of Directors members, executive managerial bodies members, as well as the members of supervisory bodies carrying out control over the issuer's financial-economic activity is disclosed in the issuer's Quarterly reports. Ad hoc Committees attached to RSC Energia Board of Directors are set up and have been operating since December 2009. The Corporate Board of Directors also approved the Provisions governing the activities of these Committees; the Provision on the Strategic Planning Committee; Provision on the Personnel and Remuneration Committee; Provision on the Audit Committee. RSC Energia's Provision on the Committee on Audit sets forth the concepts recommended by FPMA (Letter No. 11/53825 of 19.11.2013) and defines the List of the Committee's powers, including auditing financial-business activities of the organization, management and financial statements (including reports on the management progress in achievement of the established KPIs. In accordance with the FPMA Directive No. GN-15/9084 of 27.03.2012, the 21.11.2012 meeting of the Company Board of
RF Government Order No. ISh-P13-2232 of 08.04.2010.			
Russian Federation Government Order No KA-P13-8297 dated 04.12.2010	Consider a possibility to bring remuneration system for RSC Energia employees and BOD members in line with the recommendations	Recommendations in the FPMA letter detail the best practices for developing the system of incentives for employees and BOD members	

Order	Document/action	Comments, additional conditions	Information about execution of the orders
Paragraph 3, Item 2 of the minutes of the Meeting at the First Deputy Chairman of the Russian Federation Government I.I. Shuvalov No. ISh-P13-98pr dated 03.10.2013	Expand the functions of the Committee on audit, in particular, those concerning achievement by the management of the KPI set.		Directors (Minutes No. 3) considered the issue of setting up the Committee on Modernization and Innovative Development. It was resolved that it should be inexpedient to set it up. By its resolution the Board of Directors broadened the objectives and functions of the Committee on Strategic Planning, adding innovative development objectives to the List of the existing ones and changing the name of the Committee appropriately. The Board of Directors approved the Provision on the Committee on Strategic Planning, Modernization and Innovative Development. Personal cabinet of the Company at FPMA's ID-Portal presents information about available ad hoc Committees at RSC Energia Board of Directors, copies of the Provisions on ad hoc Committees approved, as well as information about the Committees meetings (agenda, voting results, Minutes of the Committees meetings). Company Board of Directors (Minutes No 18 of 29.04.2016) resolved that calculation of integrated percentage of completion of KPI by single-member executive body shall be performed only upon approval of the KPI List for respective period.
Order of the RF President No. Pr-1474 of 05.07.2013 Order of the FR President No. ISh-P13-2043 of 27.03.2014 FPMA letter No. OD-11/22160 of 26.05.2014	Make sure that the KPI of the Company are approved and that RSC Energia's management remuneration is linked to achievement of KPI, taking into account the attached guidelines.	Initiate RSC Energia's Board of Directors meeting putting the following items on the agenda: • Approve the Provision on KPI in the Company activity. • Approve KPI for management performance which shall be taken into account when deciding on labor compensation and personnel matters. • Make sure that the KPI are approved and that RSC Energia's management remuneration depends upon achievement of KPI, taking into account the attached guidelines.	Board of Directors (Minutes No 1 of 18.08.2016) approved the List and target values of KPI indicators for 2016, including the following mandatory indicators: return on equity (ROE); net profit margin; net profit, labor productivity; completion of thematic plan under government programs; implementation of key investment projects; innovative development indicator; reduction in accident rates and failures; reduction in failure recurrence. Remuneration concepts for executive body members and other key personnel are based upon KPIs, KPI charts were developed and in use for the executive body members. Board of Directors (Minutes No 5 of 30.10.2017) considered and approved the KPI List and their target figures at RSC Energia for 2017.
Letter from State Corporation ROSCOSMOS No AV-1574 of 15.02.2018 "On Procedural Guidelines for using the key performance indicators in State Corporation ROSCOSMOS (in pursuance		Make sure to consider at the company board of directors meeting the item concerning implementation of the Procedural Guidelines for using the KPIs in the company.	Board of Directors (Minutes No 19 of 02.04.2018) took decision on introduction of the Procedural Guidelines for using the key performance indicators in State Corporation ROSCOSMOS and its related organizations, including RSC Energia. Board of Directors (Minutes No 8 of 18.01.02019) considered and took note of the Report on the performance over the 9 months of 2018, including service information about the achieved key performance indicators.

Order	Document/action	Comments, additional conditions	Information about execution of the orders
of the decisions taken by the management board of State Corporation ROSCOSMOS)			Board of Directors (Minutes No 28 of 29.06.2018), taking into account the decisions taken by State Corporation ROSCOSMOS' Supervisory Board of 23.04.2018, approved the List and target figures of the KPIs assigned to RSC Energia for 2018. Board of Directors (Minutes No 3 of 18.10.2018) reviewed the Report on RSC Energia's performance for 6 months of 2018 and the forecast of RSC Energia consolidated work program (budget) indicators achievement during 2018, including the KPI achievement forecast.
4.3. About complaints with respect to weapons and military equipment products			
Rosimuschestvo (FPMA) Letter dated 21.04.2014 No VB-09/16976 "About reviewing the issue of complaints about weapons and military equipment products"		Initiate a meeting of the Company Board of Directors putting this item on the agenda.	The Company Board of Directors (Minutes No 16 of 14.04.2016) considered and took note of information that 2016 saw no complaints whatsoever made by state customers with respect to RSC Energia about the complexes (systems), products due to non-compliance with customer's requirements. The Company Board of Directors (Minutes No 20 of 26.06.2017) considered and took note of information that no complaints were lodged by state customers to RSC Energia about the complexes (systems), products due to non-compliance with customer's requirements for the 1st quarter of 2017. The Company Board of Directors (Minutes No 5 of 30.10.2017) considered and took note of information that no complaints were lodged by state customers to RSC Energia about the complexes (systems), products due to non-compliance with customer's requirements for the 2nd quarter of 2017. The Company Board of Directors (Minutes No 7 of 11.12.2017) considered and took note of information that no complaints were lodged by state customers to RSC Energia about the complexes (systems), products due to non-compliance with customer's requirements for the 3rd quarter of 2017. Board of Directors (Minutes No 17 of 07.03.2018) considered and took note of information about the absence of the claims in 2017 from government customers against RSC Energia concerning complexes (systems), articles due to non-compliance with customer's requirements. Since 2018, information about the claims lodged by the government customers concerning the complexes (systems), articles is to be included in the quarterly Reports on progress in implementation of the Consolidated Work Program for

Order	Document/action	Comments, additional conditions	Information about execution of the orders
			RSC Energia and ZAO ZEM RSC Energia which are submitted to the Board of Directors for consideration.
4.4. On quality management system operation			
Item 2, Section II of the meeting minutes at Deputy Chairman of the RF Government D.O. Rogozin's Office No RD-P7-30pr of 23.05.2016 State Corporation ROSCOSMOS Direction NoKI-133-rsp of 19.08.2016 "On the procedure for a nominee appointment to the post of deputy Head of rocket-space industry in charge of quality.	On quality management system operation, maintenance of rocket-space technology quality, reliability and safety	Make sure (as agreed upon with State Corporation ROSCOSMOS) to appoint deputy heads of quality control organizations in accordance with standard requirements for post of deputy head of quality organization in rocket-space industry and standard provision on quality control department in rocket-space industry organization.	Company Board of Directors (Minutes No 6 of 11.11.2016) considered and took note information about quality management system operation in the Company. The decision taken is to entrust single-member executive body with assuring agreement with executive director in charge of quality and reliability of State Corporation ROSCOSMOS on the issues of appointment to a post/discharging from a post deputy director general in charge of quality at RSC Energia. The Company Board of Directors (Minutes No 10 of 30.12.2016) reviewed and approved the Job Description of deputy director general in charge of quality; Regulations on Center for quality assurance 10Ts prepared in accordance with the Standard requirements for a post of deputy head of quality control organization in rocket-space industry (RSI) and standard provision on quality control department in RSI organization. Board of Directors (Minutes No 17 of 07.03.2018) considered the item on QMS operation, maintenance of quality, reliability and safety of rocket space technology, as well as took note of the Report on quality management system operation at RSC Energia in 2017. Reports on progress in implementation of the RSC Energia/ZAO ZEM RSC Energia Consolidated Work Program to be reviewed by the Board of Directors on a quarterly basis address information about quality management system operation at RSC Energia.
5. CONTROL			
Letter of State Corporation ROSCOSMOS No AV-18304 of 27.10.2017		On accession to All-Russia Sectoral Association of Employers "Union of Rocket-Space Industry Employers of Russia"	The Company Board of Directors (Minutes No 7 of 11.12.2017) considered and decided on the accession of RSC Energia to All-Russia Sectoral Association of Employers "Union of Rocket-Space Industry Employers of Russia". By the decision of the Board of the All-Russia Sectoral Association of Employers "Union of Rocket –Space Industry Employers of Russia" taken as of 20.11.2018, RSC Energia got accession to the All-Russia Sectoral Association of Employers "Union of Rocket-Space Industry Employers of Russia".

Order	Document/action	Comments, additional conditions	Information about execution of the orders
Within the framework of the decision taken by Director General of State Corporation ROSCOSMOS (Minutes No KI-973-pr of 30.11.2017)		On compliance with the requirements stated in Anticorrupt Practices legislation and prevention of corruption and other infringements of law in day-to day activity	Company Board of Directors (Minutes No12 of 29.01.2018) took note of information about RSC Energia's compliance with the requirements stipulated in anticorrupt practices legislation and prevention of other infringements of law in day-to day activity. Decision was taken on advisability to consider the issues related to compliance with the requirements of anticorrupt practice legislation at the meetings of RSC Energia Board of Directors once a quarter. Board of Directors (Minutes No 28 of 29.06.2018 and No 4 of 22.11.2018) took note of the submitted information about RSC Energia's compliance with the requirements stipulated in anticorrupt practices legislation and prevention of other infringements of law in day-today activity. Board of Directors (Minutes No 8 of 18.01.2019) considered and took note of the Report on the performance over the 9 months of 2018, including the report on anticorrupt practices.
In pursuance of the Russian Federation Government Order No YB-P7-3605 of 21.06.2018 Letter from State Corporation ROSCOSMOS No 69-24037 of 15.11.2018 "On implementing the instructions issued by State Corporation ROSCOSMOS"		Schedule holding of the company Board of Directors meeting with the item added to the agenda concerning Minimum job specifications with respect to the post of the head of the organization, as well as make arrangements in the subsidiary organizations for holding similar Board of Directors meetings.	Board of Directors (Minutes No 4 of 22.11.2018) approved the Minimum job specifications with respect to the post of RSC Energia's head. As regards 100% subsidiary companies, decisions were taken by the sole shareholder/participant on approval of the minimum job specifications concerning the post of the head: AO IK Razvitiye R-23/692 of 26.11.2018; ZAO ZEM RSC Energia R-23/695 of 26.11.2018; OOO OIME R-23/693 of 26.11.2018; AO Teplo RSC Energia R-23/694 of 26.11.2018; OOO RSC Energia-Project R-23/691 of 26.11.2018.
5.1. Arrangement of common information space (personal cabinet of the Company at Rosimuschestvo's ID Portal)			
Rosimuschestvo's Letter dated 04.10.2013 No. 11/46314 "On entering information in the personal cabinet at the ID Portal"		About the need to enter information in the personal cabinet of RSC Energia at Rosimuschestvo's ID Portal	Section of ID-portal has been completed in online mode "Background Information about organization". Section "Equity Capital Structure" covers information every month about the shareholders whose share in the Charter (contributed) capital exceeds 2%. Section "Control and Managerial Bodies" addresses information about the membership of the Company managerial bodies (single-member executive body (Director General), Collegiate Executive Body (Management Board), Board of Directors, Auditing Committee, Committees at the Board of Directors), as well as their competence. Section "Corporate Events" presented current information about RSC

Order	Document/action	Comments, additional conditions	Information about execution of the orders
			Energia's corporate events (general shareholders' meetings, Board of Directors' meetings, meetings of ad hoc committees at the Board of Directors). In so doing, the Company via ID-portal reported topical information about participation of the members of RSC Energia's managerial bodies in its meetings as well as placed its corporate documents (copies of the Minutes drawn up at the general shareholders' meetings held, Board of Directors' meetings, ad hoc committees' and commissions' meetings held). ID-Portal section "Documents" placed organization-order documents approved by the Company in the accounting period in addition to the earlier posted By Laws of the Company regulating its operation.
Rosimuschestvo's Letter No. OD-05/13840 of 03.04.2014		Post financial statements on the ID-Portal	ID-Portal Section "Reporting" placed on a quarterly basis scanned copies of (quarterly) interim reporting in PDF.

Appendix 12 / Information about continuing court proceedings in which RSC Energia acts as a plaintiff/defendant on debt claim with indicated total amount of claims made/lodged that may have an impact on RSC Energia operation

No	Plaintiff	Defendant	Subject of dispute	Amount of recovery, rubles		Note
				Principal, rubles	Penalty (fine)/ national duty, rubles	
1	RSC Energia	SUE NPTs SPURT	On insolvency (bankruptcy)	55 360 000,00	-	By ruling of Moscow Arbitration Court RSC Energia claim for recovery of the amount due was entered into the schedule of creditors. Proceedings in bankruptcy were opened with respect to SUE NPTs SPURT. The proceedings were prolonged till 26.03.2019.
2	RSC Energia	OOO SK YNA	Recovery of damages	-	964 479,24/22 290,00	By Moscow Region Arbitration Court decision taken of 23.01.2019, the claims were met in full volume.
3	RSC Energia	GP MO Institute Mosgrazhdanprojekt	Recovery of damages	3 970 622,54	/42 853,00	Decision of Moscow Region Arbitration Court of 16.01.2019 refused to meet the claims.
4	RSC Energia	OOO OGE	Recovery of damages	-	9 702 159,21/71 511,00	Decision of Moscow Region Arbitration Court of 29.01.2019 partially met the claims: penalty in the amount of 3 967 376,48 national duty in the amount of 71 511,00
5	RSC Energia	FSUE TsENKI	Recovery of unjust enrichment	17 167 200,00	308 304,10/110 378,00	Determination of Moscow Arbitration Court of 23.01.2019 approved amicable settlement on payment: unjust enrichment is 17 167 200,00 national duty is 55 189,00 As for the penalty, refusal was accepted.
6	RSC Energia	V.A.Manyuta	Compensation for damages	17 879 570,00	/200 000,00	Consideration of the matter in Moscow Region Arbitration Court was scheduled for 26.02.2019
7	RSC Energia	M.E. Bauman MGTU	Recovery of unjust enrichment	2 526 568,46	/35 628,00	Consideration of the matter in Moscow Arbitration Court was scheduled for 15.03.2019
8	RSC Energia	T.A. Cherednichenko	Compensation for damages	7 306 260,00	/44 731,00	Consideration of the matter in Korolev municipal court was scheduled for 21.02.2019
9	RSC Energia	OAO Teploset	Recovery of debts	82 551 734,08	4 093 815,15/200 000,00	Consideration of the matter in Moscow Region Arbitration Court was scheduled for 13.02.2019
10	RSC Energia	MI Federal Internal Revenue Service by major taxpayers No 4	Declare non-regulatory legal acts null and void	-	-	Moscow Arbitration Court award of 18.10.2018 declared non-regulatory legal act partially null and avoid. By the Court of Appeal ruling of 01.02.2019 the court award remained unchanged.
11	RSC Energia	Moscow Region Russian Register office	Recognition of right of ownership to property	-	-	Consideration of the matter in Moscow Region Arbitration Court was scheduled for 13.02.2019
12	RSC Energia	AO Research Institute for command instruments	Recovery of debts	1 015 567,00	23 156,00	Consideration of the matter in the Arbitration Court of Saint-Petersburg and Leningrad Region was scheduled for 04.03.2019

13	State Corporation ROSCOSMOS	RSC Energia	Recovery damages	-	2 943 612 740,00	By ruling of the Arbitration Court of Moscow Region of 04.05.2017 consideration of the matter was suspended pending making of the decision on the criminal case.
14	State Corporation ROSCOSMOS	RSC Energia	Compensation for damage	-	791 739 500,00/200 000,00	Moscow Arbitration Court award of 10.08.2018 met the claims in full volume. By ruling of the court of appeal of 23.10.2018 the court award remained unchanged. By ruling of the court of cassation of 22.01.2019, judicial acts remained unchanged.
15	State Corporation ROSCOSMOS	RSC Energia	Recovery of damages	-	11 916 074,33/200 000,00	Moscow Arbitration Court award of 26.11.2018 partially met the claims: penalty in the amount of 2 402 751,00 national duty in the amount of 35 014,00 By ruling of the court of appeal of 11.02.2019, the court award remained unchanged.
16	State Corporation ROSCOSMOS	RSC Energia	Recovery of damages	-	13 126 367,25	Consideration of the matter in Moscow Arbitration Court was scheduled for 05.03.2019
17	State Corporation ROSCOSMOS	RSC Energia	Recovery of damages	-	5 916 856,49	Consideration of the matter in Moscow Arbitration Court was scheduled for 03.04.2019
18	State Corporation ROSCOSMOS	RSC Energia	Recovery of damages	-	23 307 607,61	Consideration of the matter in Moscow Arbitration Court was scheduled for 18.03.2019
19	State Corporation ROSCOSMOS	RSC Energia	Recovery of damages	-	192 782 227,45	Consideration of the matter in Moscow Arbitration Court was scheduled for 12.03.2019
20	State Corporation ROSCOSMOS	RSC Energia	Recovery of damages	-	18 818 143,23	Consideration of the matter in Moscow Arbitration Court was scheduled for 11.02.2019
21	State Corporation ROSCOSMOS	RSC Energia	Recovery of damages	-	200 304 854,25	Consideration of the matter in Moscow Arbitration Court was scheduled for 15.03.2019
22	AO AVEKS	RSC Energia	Recovery of debts	7 508 500,00	-	Consideration of the matter in Moscow Region Arbitration Court was scheduled for 12.02.2019
23	State Corporation ROSCOSMOS	RSC Energia	Recovery of damages	-	5 583 376,53	Consideration of the matter in Moscow Arbitration Court was scheduled for 26.03.2019
24	State Corporation ROSCOSMOS	RSC Energia	Recovery of damages	-	1 326 429,00	Consideration of the matter in Moscow Arbitration Court was scheduled for 21.03.2019