

Minutes of Board of Directors Meeting No. 272/2017
Public joint stock Company of power industry and electrification of Kuban
(Kubanenergo PJSC)

Date of meeting	27 April 2017
Form of holding the meeting	absentee voting (questionnaire)
Place of vote counting	office 105, building 1, 2A Stavropolskaya St., Krasnodar (postal address of Corporate Secretary of "Kubanenergo" PJSC)
Date of drawing up minutes	28 April 2017

Board of Directors Members: 11

Questionnaires were submitted by: Mangarov Yu.N. (Chairperson of the BoD), Bogashov A.Ye. Bobkov D.A., Gavrilov A.I., Varvarin A.V., Yefimov A.L., Khokholkova K.V., Gritsenko V.F., Sofyin V.V., Shmakov I.V.

Questionnaires were not submitted by: Serov A.Yu.

According to requirements of paragraph 7.3 of Regulations for the Board of Directors of Public joint stock Company of power industry and electrification of Kuban (approved by decision of annual General meeting of "Kubanenergo" PJSC shareholders dated 27.06.2016, minutes No.37), the quorum for holding the meeting should count at least half of elected members of Board of Directors.

Quorum is present

Agenda

1. On consideration of a report submitted by the Director General on the organization, functioning and effectiveness of the risk management system, including information on management of key operational risks of Kubanenergo PJSC in 2016
2. On preliminary approval of the decision on participation of Kubanenergo PJSC in sponsorship assistance in 2017

Item 1

On consideration of a report submitted by the Director General on the organization, functioning and effectiveness of the risk management system, including information on management of key operational risks of Kubanenergo PJSC in 2016s

The following decision is proposed:

1. To take into consideration the report of the Company Director General on management of key operational risks of Kubanenergo PJSC in 2016, in accordance with Annex 1 to the present resolution of the Company's BoD.
2. To ensure implementation of the Plan of activities for managing key operational risks for 2017.
3. To take measures to prevent in 2017 the implementation of risks that have a significant level of materiality.
4. To take into consideration the report of the Director General the organization, functioning and effectiveness of the risk management system.
5. To take measures for establishment of liability of risk owners in the event of deviation from the level of actual consequences of the implementation of key operational risks from the planned. To inform the authorized Committee under the Board of Directors of the Company the taken measures.
6. To mark the necessity of submitting information on management of key operational risks within the framework of the item "On consideration of the Report of the Company's Sole Executive Body on management of key operational risks of the Company during the year", and information on the organization, functioning and effectiveness of the risk management system within the framework

of the item “On consideration of the Report of the Sole Executive Body of the Company on the organization, functioning and effectiveness of the Company’s risk management system.”

Voting results

Bobkov D.A.	-	FOR	Yefimov A.L.	-	FOR
Bogashov A.Ye.	-	FOR	Mangarov Yu.N.	-	FOR
Varvarin A.V.	-	FOR	Sofyin V.V.	-	FOR
Gavrilov A.I.	-	FOR	Khokholkova K.V.	-	FOR
Gritsenko V.F.	-	FOR	Shmakov I.V.	-	FOR

Thus, the BoD members participating in the meeting unanimously adopted the proposed decision on the first item.

Item 2

On preliminary approval of the decision on participation of Kubanenergo PJSC in sponsorship assistance in 2017

The following decision is proposed:

1. To approve participation of Kubanenergo PJSC in sponsorship assistance in 2017, in accordance with Annex 2 to the present resolution of the Company’s BoD.
2. To instruct the Sole Executive Body of the Company to ensure financing of sponsorship without worsening the planned financial result, taking into account the unconditional fulfillment of the reduction of operating expenses (costs) based on the results of 2017.

Voting results

Bobkov D.A.	-	FOR	Yefimov A.L.	-	FOR
Bogashov A.Ye.	-	ABSTAINED	Mangarov Yu.N.	-	FOR
Varvarin A.V.	-	FOR	Sofyin V.V.	-	FOR
Gavrilov A.I.	-	FOR	Khokholkova K.V.	-	FOR
Gritsenko V.F.	-	FOR	Shmakov I.V.	-	FOR

Thus, the majority of the BoD members participating in the meeting adopted the proposed decision on the second item.

Chairperson

Mangarov Yu.N..

Corporate secretary

Russu O.V.