**Corporate action statement**

**“On decisions adopted by the Issuer’s Board of Directors”**

**(disclosure of inside information)**

|  |
| --- |
| 1. General data
 |
| 1.1 Issuer’s full name | Public joint-stock company of Power Industry and Electrification of Kuban |
| 1.2. Issuer’s short name | “Kubanenergo” PJSC |
| 1.3. Issuer’s location | Krasnodar, Russian Federation |
| 1.4. Issuer’s PSRN | 1022301427268 |
| 1.5. Issuer’s TIN | 2309001660 |
| 1.6. Issuer’s unique code given by registering authority | 00063-A |
| 1.7. Web-page for information disclosure  | [www.kubanenergo.ru](http://www.kubanenergo.ru)<http://www.e-disclosure.ru/portal/company.aspx?id=2827> |
| 2. Statement content |
| **2.1 Quorum of meeting of issuer’s BoD and results of voting on the adopted decisions:**Number of BoD members: 11 personsMembers participated in the meeting: 10 persons Quorum necessary for holding the meeting of Kubanenergo JSC Board of Directors is present.Voting results:

|  |  |
| --- | --- |
| No. | Votes |
| FOR | AGAINST | ABSTAINED |

|  |  |  |  |
| --- | --- | --- | --- |
| **1** | **10** |  |  |
| **2** | **10** |  |  |
| **3** | **10** |  |  |
| **4** | **10** |  |  |
| **5** | **10** |  |  |
| **6** | **10** |  |  |
| **7** | **10** |  |  |
| **8** | **10** |  |  |
| **9** | **10** |  |  |
| **10** | **10** |  |  |
| **11** | **9** |  |  |

A.I. Gavrilov did not vote on item 11. |
| **Disclosure of insider information/approval of internal documents** **on item No. 1 “On election of members of the Audit Committee under the BoD of Kubanenergo PJSC and its Chairperson”** |
| 2.2.1. Decision adopted by issuer’s Board of Directors:1. To deicide that the Audit Committee of the BoD shall consist of 3 (three) members.2. To elect the following candidates to the Audit Committee:

|  |  |  |
| --- | --- | --- |
| # | Name | Position |
| 1 | Sofyin Vladimir Vladimirovich  | Director of the Department for technological development and innovation, Rosseti PJSC |
| 2 | Khokholkova Kseniya Valerievna | Deputy Head of Directorate of   Share Capital Issues at Department  of Corporate Governance and Interaction with Shareholders, Russian Grids JSC  |
| 3 | **Serov Alexey Yurievich** | Acting Director of the Department of finances, Head of sector for capital market and strategic investments |

3. To appoint Sofyin Vladimir Vladimirovich, Director of the Department for technological development and innovation, Rosseti PJSC, for the position of Chairperson of the Audit Committee |
| **Disclosure of insider information on item No. 2 “On election of members of the Committee of Strategy, Development, Investments and Reform under the BoD of Kubanenergo PJSC and its Chairperson”** |
| 2.2.2. Decision adopted by issuer’s Board of Directors:1. To deicide that the Committee for Strategy, Development, Investments and Reforming of the BoD shall consist of 10 (ten) members.2. To elect the following candidates to the Committee for Strategy, Development, Investments and Reforming:

|  |  |  |
| --- | --- | --- |
| # | Name | Position |
| 1 | Pavlov Alexey Igorevich | Head of Treasury department, Rosseti PJSC |
| 2 | **Pankstiyanov Yuriy Borisovich** | Head of Tariff policy department, Rosseti PJSC |
| 3 | Podlutskiy Sergey Vladimirovich | Head of Sector of consolidated planning and reporting at Investment activity department, Rosseti PJSC |
| 4 | Lavrova Marina Alexandrovna  | Head of Economics of affiliated companies division at Department of economic planning and allocation of funds, Rosseti PJSC  |
| 5 | Balaban Fyodor Nikolaevich | Deputy head of Strategic projects divisions, at Department of strategic development, Rosseti PJSC  |
| 6 | Goncharov Alexey Nikolaevich | Head of Directorate for interaction with wholesale and retail market entities in the sphere of power industry, Rosseti PJSC |
| 7 | Ocheredko Olga Vyacheslavovna | Deputy General Director for Economics and Finance,  “Kubanenergo” PJSC |
| 8 | Shmakov Igor Vladimirovich | Deputy director general in charge of controlling, Kubanenergo PJSC  |
| 9 | Zobkova Tatiana Valentinovna  | Head of sector at Department of corporate governance, pricing environment and control-and-auditing activity in fuel-power complex, RF Ministry of Energy |
| 10 | **Gritsenko Vladimir Fyodorovich** | Director of business development, Yunitel Engineering LLC  |

3. To appoint Pavlov Alexey Igorevich, Head of Treasury department, Rosseti PJSC, for the position of Chairperson of the Committee for Strategy, Development, Investments and Reforming attached to the BoD. |
| **Disclosure of insider information on item No. 3“On election of members of the Personnel and Remuneration Committee under the BoD of Kubanenergo PJSC and its Chairperson”** |
| 2.2.3 Decision adopted by issuer’s Board of Directors:1. To deicide that the Personnel and Remuneration Committee of the BoD shall consist of 5 (five) members.2. To elect the following candidates to the Personnel and Remuneration Committee:

|  |  |  |
| --- | --- | --- |
| # | Name | Position |
| 1 | Mangarov Yuriy Nikolaevich | Chief advisor, Rosseti PJSC |
| 2 | Chevkin Dmitriy Aleksandrovich | Head of Personnel and organization development department, Rosseti PJSC |
| 3 | Erpsher Nataliya Ilinichna | Head of Head of Directorate organization development under Department of HR policy and organization development, Rosseti PJSC |
| 4 | Zobkova Tatiana Valentinovna  | Head of sector at Department of corporate governance, pricing environment and control-and-auditing activity in fuel-power complex, RF Ministry of Energy |
| 5 | Varvarin Aleksandr Viktorovich | Vice-president in charge of corporate relations and legal support, RSPP; member of Kubanenergo BoD |

3. To appoint Mangarov Yuriy Nikolaevich for the position of Chairperson of the Personnel and Remuneration Committee attached to the BoD. |
| **Disclosure of insider information on item No. 4 “On election of members of the Reliability Committee under the BoD of Kubanenergo PJSC and its Chairperson”** |
| 2.2.4 Decision adopted by issuer’s Board of Directors:1. To deicide that the Reliability Committee of the BoD shall consist of 7 (seven) members.2. To elect the following candidates to the Reliability Committee:

|  |  |  |
| --- | --- | --- |
| # | Name | Position |
| 1 | Leonov Andrey Nikolayevich  | Head of Directorate for production activity at Department of process management, Rosseti PJSC  |
| 2 | Matyushin Alexandr Yuriyevich  | Head of maintenance and repair division of Directorate for production activity at Department of process management, Rosseti PJSC  |
| 3 | Smaga Mikjhail Vladimirovich | Deputy head of Centre of engineering supervision, branch of Rosseti PJSC |
| 4 | Ryazantsev Dmitry Yurievich | Deputy Director general in charge of technical issues – chief engineer of Kubanenergo PJSC. |
| 5 | Ocheredko Olga Vyacheslavovna | Deputy general director for economics and finance, "Kubanenergo" PJSС |
| 6 | Armaganyan Edgar Garrievich | Director of Sochi Electric Networks,branch of "Kubanenergo" PJSС, Deputy general director for selling of services, "Kubanenergo" PJSС  |
| 7 | Shabalin Sergey Alexandrovich  | Leading advisor at division for pricing environment and control over industry infrastructure at Department of development of power industry, RF Ministry of Energy  |

3. To appoint Leonov Andrey Nikolayevich, Head of Directorate for production activity at Department of process management, Rosseti PJSC, for the position of Chairperson of the Reliability Committee attached to the BoD. |
| **Disclosure of insider information on item No. 5 “On election of members of the Technological Connection Committee under the BoD of Kubanenergo PJSC and its Chairperson”** |
| 2.2.5 Decision adopted by issuer’s Board of Directors:1. To deicide that the Technological Connection Committee of the BoD shall consist of 6 (six) members.2. To elect the following candidates to the Technological Connection Committee:

|  |  |  |
| --- | --- | --- |
| # | Name | Position |
| 1 | Varvarin Aleksandr Viktorovich | Managing director in charge of corporate relations and legal support, RSPP, member of Kubanenergo BoD   |
| 2 | Kosteskiy VyacheslavYurievich | Deputy director general in charge of development and technological connection, Kubanenergo PJSC |
| 3 | Soltan Yelena Leonidovna | Head of Department for technological connection, Kubanenergo PJSC |
| 4 | Masalyova Irina Borisovna | Head of Department for perspective development for the grid and technological connection, Rosseti PJSC |
| 5 | Korneyev Alexandr Yurievich | Head of sector for scheduling the technological connection at Department of perspective development of grids and technological connection, Kubanenergo PJSC |
| 6 | Sokolov Denis Yevgenievich  | Chief expert at Directorate for regulation of technological connection at Department of perspective development of network and technological connection, Rosseti PJSC  |

3. To appoint Varvarin Aleksandr Viktorovich for the position of Chairperson of the Technological Connection Committee attached to the BoD. |
| **Disclosure of insider information on item No. 6 “On approval of credit plan of Kubanenergo PJSC for the 3rd quarter of 2016”** |
| 2.2.6 Decision adopted by issuer’s Board of Directors:To approve the credit plan of Kubanenergo PJSC for the 3rd quarter of 2016, in accordance with Annex1 to the resolution of the BoD. |
| **Disclosure of insider information on item No. 7 “On discussion of report on implementation of Plan of activities on enhancement of the Company’s efficiency and financial state in the first half of 2016”** |
| 2.2.7 Decision adopted by issuer’s Board of Directors:1. To take into consideration the report on implementation of Plan of activities on enhancement of the Company’s efficiency and financial state in the first half of 2016, in accordance with Annex2 to the resolution of the BoD.2. To recommend Director General to submit the report on implementation of Plan of activities on enhancement of the Company’s efficiency and financial state of the Company, precisely, in the sphere of preparing information on the process of implementation of project on minimization of usage of imported equipment and materials and specify the share of import as of the reporting date.  |
| **Disclosure of insider information on item No. 8 “On approval of results of implementation of key performance indicators of director general of Kubanenergo PJSC in 2015”** |
| 2.2.8 Decision adopted by issuer’s Board of Directors:To approve results of implementation of key performance indicators of director general of Kubanenergo PJSC in 2015, in accordance with Annex3 to the resolution of the BoD. |
| **Disclosure of insider information on item No. 9 “On approval of restated Regulations for the Central Tender Committee of Kubanenergo PJSC”** |
| 2.2.9 Decision adopted by issuer’s Board of Directors:To approve the restated Regulations for the Central Tender Committee of Kubanenergo PJSC, in accordance with Annex1 to the resolution of the BoD. |
| **Disclosure of insider information on item No.10 “On approval of composition of the Central Tender Committee of Kubanenergo PJSC”** |
| 2.2.10 Decision adopted by issuer’s Board of Directors: To exclude from the Central Tender Committee approved by the BoD on 28.08.2014 (minutes of meeting No. 195/2014 dd 29.08.2014):* Konevets K.A., Deputy Director General  in charge of Corporate Management, member of the Committee;
* Kobelyan A.M., Head of Directorate of Planning, Statutory Regulation and Arrangement of Procurement Activity, Rosseti JSC, member of the Committee

To elect the following persons to the Central Tender Committee:

|  |  |  |
| --- | --- | --- |
| 1 | Ocheredko  O.V. | Deputy General Director for Economics and Finance, Kubanenergo PJSС, chairperson of the Committee |
| 2 | Ryazancev D.Yu. | Deputy General Director for Technical Issues - Chief Engineer, Kubanenergo PJSС, member of the Committee |
| 3 | Statuyev V.A. | Deputy Director General in charge of Security, Kubanenergo PJSC, deputy chairperson of the Committee |
| 4 | Golov  A.V. | Deputy General Director in charge of Investment Activity, member of the Committee |
| 5 | Ivanova I.V. | Deputy Director General in charge of Corporate Governance, member of the Committee |
| 6 | Grebenyuk V.I. | Leading Expert of the Department of Planning, Control and Procurement Methodology at Directorate of Consolidated Planning, Regulation and Organization of Procurement at Procurement Department, member of the Committee |
| 7 | Zerova D.L. | Head of Directorate for Organization of Tender Procedures, Kubanenergo PJSC, executive secretary of the Committee |

 |
| **Disclosure of insider information on item No.11 “On approval of service contract on arrangement of treasury management between Kubanenergo PJSC and Rosseti PJSC as interested-party transaction”** |
| 2.2.11 Decision adopted by issuer’s Board of Directors:1. To determine the cost of services of Rossetti PJSC in the service contract on arrangement of treasury management, concluded between Rossetti PJSC and Kubanenergo PJSC(hereinafter – the Contracts) in the amount in accordance with Annex 5 to this decision.2. To approve the service contract on arrangement of treasury management betweenRossetti PJSC and Kubanenergo PJSC, as a transaction of interest in the conditions in accordance with Annex 6 to this decision.3. The Director General of Kubanenergo PJSC shall ensure the conclusion of the contract on arrangement of treasury management between Rossetti PJSC and Kubanenergo PJSCby 28.07.2016. |
| 2.3. Date of holding the meeting of Board of Directors: 21 July 20162.4. Date of making and number of minutes of meeting: 22 July 2016, minutes of meeting No.246/2016**.** |

|  |
| --- |
| 3. Signature  |
| 3.1 Deputy Director General in charge of Corporate Governance (by power of attorney No. 1-847 dated 27.05.2016) | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_(signature) | Ivanova I.V. |
| 3.2 Date: 25 July 2016 | stamp  |  |