**Corporate action statement**

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

**(disclosure of inside information)**

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| 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 disclosure ща information | [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 persons  Members participated in the meeting: 11 persons  Quorum necessary for holding the meeting of Kubanenergo PJSC Board of Directors is present.  Voting results:   |  |  |  |  | | --- | --- | --- | --- | | No. | Votes | | | | FOR | AGAINST | ABSTAINED | |  | **11** |  |  | |  | **11** |  |  | |  | **11** |  |  | |  | **10** |  | **1** | |  | **11** |  |  | |  | **11** |  |  | |  | **10** |  | **1** | |  | **11** |  |  | | |
| **Disclosure of insider information on item No. 1 “On approval of the Programme of consolidation of grid facilities of Kubanenergo PJSC for 2017-2018”** | |
| 2.2.1. Decision adopted by issuer’s Board of Directors:  To postpone the discussion to a later date | |
| **Disclosure of insider information on item No.2 “On approval of the Procedure for arrangement of sales of non-core assets of Kubanenergo PJSC”** | |
| 2.2.2. Decision adopted by issuer’s Board of Directors:  1. To approve of the Procedure for arrangement of sales of non-core assets of Kubanenergo PJSC, in accordance with Annex 1 to this resolution of the BoD.  2. To consider invalid the Procedure for arrangement of sales of non-core assets of the Company, approved by the Board of Directors of Kubanenergo JSC on 20.11.2008 (Minutes of meeting No.62/2008 dated 24.11.2008).  3. To consider invalid paragraph 2 of resolution of the Board of Directors of Kubanenergo on item 8 from 14.11.2014 (Minutes of meeting No.199/2014 dated 17.11.2014).  4. To decide that the transactions related to the disposal of assets, classified in accordance with the law as real estate, construction in progress, the purpose of which is not production, transmission, distribution of electricity and heat energy shall be taken in accordance with the Procedure for arrangement of sales of non-core assets of Kubanenergo PJSC in the new version, in accordance with Annex 1 to this resolution of the BoD. | |
| **Disclosure of insider information on item No.3 “On taking into consideration report of Director General on expenditures related to preparation and holding the extraordinary general meeting of shareholders on 19 September 2016”** | |
| 2.2.3. Decision adopted by issuer’s Board of Directors:  To take into consideration the report of Director General on expenditures related to preparation and holding the extraordinary general meeting of shareholders on 19 September 2016, in accordance with Annex 2 to this resolution of the BoD. | |
| **Disclosure of insider information on item No.4 “On implementation of resolutions of the BoD adopted on 20.09.2016 on item 3 paragraph 3.1.1 (minutes of meeting No.251/2016 dd 23.09.2016)”** | |
| 2.2.4. Decision adopted by issuer’s Board of Directors:  To take into consideration the report on the causes of deviations specified in paragraphs2.3.1. - 2.3.3 of the resolution of the Board of Directors dated 20.09.2016 on item 3 (Minutes of meeting No.251/2016 dated 23.09.2016), that occurred during implementation of the approved investment programme of the Company in the 2nd quarter and 6 months of 2016, in accordance with Annex 3 to this resolution of the BoD. | |
| **Disclosure of insider information on item No.5 “On taking into consideration report of Director General on provision of insurance in the 3rd quarter of 2016”** | |
| 2.2.5. Decision adopted by issuer’s Board of Directors:  To take into consideration the report of Director General on provision of insurance in the 3rd quarter of 2016, in accordance with Annex 4 to this resolution of the BoD. | |
| **Disclosure of insider information on item No.6 “On introduction of changes to resolutions of the BoD adopted on 27.04.2016 on item 5 paragraph 5 (minutes of meeting No.237/2016 dd 28.04.2016)”** | |
| 2.2.6. Decision adopted by issuer’s Board of Directors:  To amend the decision of the Board of Directors of  Kubanenergo PJSC on paragraph 5 of item 5 (Minutes of meeting No. 237/2016) 28.04.2016 as follows:  “To recommend to submit information on risk management, that occurred in 2015, on a quarterly basis at the meetings of the Management Board as part of report on implementation of the business plan for the first 9 months of 2016 and for 2016". | |
| **Disclosure of insider information on item No.7 “On approval of budgets for the Committees of Kubanenergo BoD”** | |
| 2.2.7. Decision adopted by issuer’s Board of Directors:  1. To approve budget for the Audit Committee under the BoD of Kubanenergo PJSC for the second quarter of 2016, in accordance with Annex 5 to this resolution of the BoD  2. To approve budget for the Committee for Strategy, Development, Investment and Reforming under the BoD of Kubanenergo PJSC for the second quarter of 2016, in accordance with Annex 6 to this resolution of the BoD  3. To approve budget for the Reliability Committee under the BoD of Kubanenergo PJSC for the second quarter of 2016, in accordance with Annex 7 to this resolution of the BoD  4. To approve budget for the Personnel and Remuneration Committee under the BoD of Kubanenergo PJSC for the second quarter of 2016, in accordance with Annex 8 to this resolution of the BoD  5. To approve budget for the Committee for Technological Connection under the BoD of Kubanenergo PJSC for the second quarter of 2016, in accordance with Annex 9 to this resolution of the BoD | |
| **Disclosure of insider information on item No.8 “On determination of the Company’s opinion on agenda of the meeting of the BoDs of subsidiary and affiliate of  Kubanenergo PJSC –“Energoservis Kuban” JSC** | |
| 2.2.8. Decision adopted by issuer’s Board of Directors:  To instruct representatives of Kubanenergo PJSC in the Board of Directors of “Energoservis Kuban” JSC on the agenda “On early termination of powers of the Acting General Director of the Company and election of the Director General of the Company” to vote "FOR" the following decision:   1. To terminate the powers of the Acting Director General of the Company – Loza Andrei Alexandrovich and the employment contract with him on 30.11.2016. 2. To elect the Director General of the Company of Lebedev Vladimir Alexandrovich from 01.12.2016 to 07.03.2019 inclusive. | |
| 2.3. Date of holding the meeting of Board of Directors: 15 November 2016  2.4. Date of making and number of minutes of meeting: 18 November 2016, minutes of meeting No.254/2016**.** | |

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| 3. Signature | | |
| 3.1 Head of Corporate Governance and Shareholders Relations Department (by power of attorney No. 1-847 dated 27.05.2016) | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  (signature) | Ivanova I.V. |
| 3.2 Date: 21 November 2016 | stamp |  |